PRACTICAL SALESMANSHIP

DEMONSTRATION METHOD

NATIONAL SALESMEN'S TRAINING ASSOCIATION
CHICAGO, U. S. A.

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PRACTICAL SALESMANSHIP

Demonstration Method

Methods of Distribution

Volume IV

NATIONAL SALESMEN'S TRAINING ASSOCIATION

CHICAGO — ILLINOIS

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SECTION I

CHANNELS OF DISTRIBUTION

METHODS OF DISTRIBUTION

SECTION I

CHANNELS OF DISTRIBUTION

IN THE distribution of the world's commodities the salesman is brought into wider contact with people than men in most other vocations.

He is brought into close relations with all types of people. This gives him an understanding of human nature which is in itself an education. In thus knowing people, their traits, characteristics, and social and intellectual refinement, by the law of assimilation, he is constantly developing.

This close contact with the public gives a broader view of the affairs of the world. It enlarges his appreciations and enables him to interpret things from many angles.

On the other hand, his work has an educational value. He brings to the public the products of a constantly developing civilization. He is the distributor of the world's enterprises and brings the outlying districts into touch with the great centers. Through him people in all walks of life are informed on the products of hand and brain in every field of human activity.

In former sections of these studies we have set forth human needs as the basis of all supply. That brought us to the consideration of the goods to meet these needs. We have seen the necessity of the salesman knowing the goods, the raw materials, methods of production, and the uses of the finished product.

Following a logical order of procedure this section of these studies considers the methods by which these goods are distributed.

As already noted in treating the Goods, there are two general lines of selling—staple and specialty. The former handles what are called "necessities," the things we eat, wear, and need to live in comfort, in accordance with our station in life. The grocery salesman, for example, sells this general line of goods and handles many kinds of merchandise.

The specialty salesman handles an individual article of a staple or non-staple nature. He is the distributor of products in every field of production and sells many forms of service.

The salesman is the connecting link between the manufacturer, the jobber, the wholesaler, the retailer, and the consumer. In all of these relations the great objective is the consumer.

The hide, for instance, is sold to the tanner, the prepared leather is sold to the manufacturer, and the finished product to the dealer. All have in view the fact that there are people to wear the shoes. The salesman sells the hides, the leather, and the shoes. They operate in different branches of the one business, but in the end they all sell the consumer.

The tanner sells the consumer. Poorly prepared leather will show up in the finished product. The consumer then ceases to buy poor materials, the dealer refuses to buy such shoes, and the manufacturer ceases to deal with that tanner.

It is the salesman, the go-between, who is thus directly related to all of these interests and enterprises leading ultimately to the final buyer of the product.

By distribution is meant the activities of business which have to do with the handling of goods from the maker to

the consumer. As already noted, the consumer is the last buyer of the goods.

There are various steps or channels through which goods have to pass before they reach the consumer. The products at each step of distribution are handled by some man or group of men who are known as "Middlemen."

This is how the term middlemen originated, and it has come to be applied to all those men who handle the goods from the time they leave the manufacturer or producer until they are finally turned over to the consumer.

Each of these middlemen performs one or more of the following functions:

ASSEMBLING—Articles produced in different parts of the country must be assembled in the place where they are to be sold.

STORING—Products must either be stored in warehouses or on the shelves of a store.

ASSUMPTION OF RISKS—The risk of loss by fire, theft, or destruction must be assumed by one or all of the men who handle the product, or by an insurance company.

FINANCING—Someone must finance the cost of the product. It may be one of the middlemen; they may buy the article outright for cash or on credit, or the funds may be furnished by a bank.

RE-ARRANGEMENT—Where goods are received in carload lots they must be arranged in smaller lots to be placed in the stock room or be displayed on the retailer's shelves.

SELLING OF GOODS—Goods must be sold by some one to either the middleman or the consumer.

TRANSPORTATION—After the goods are sold they must be delivered either by rail, ship, truck, or by a human being to the place where they are to be either re-sold or consumed.

We may best see what channels of distribution are by noting who are the middlemen and what functions or services they perform. The various middlemen may be listed and grouped for discussion as follows:

1. Manufacturers' Representatives—
   Branch Houses.
2. Agents.
3. Brokers.
4. Commission Houses.
5. Wholesale Merchants.
6. Jobbers.
7. Speculators.
8. Country Collectors.
9. Shippers.
10. Receivers.
11. Exchanges.
12. Packers.
13. Distributors.
14. Retailers.

WHOLESALE MIDDLEMEN

Dealers and Middlemen

The term dealer may indicate all who have a part in the work of marketing, whether or not they claim title to the goods sold. The term is sometimes confined to those who buy and sell on their own account, but is not applied to the grower or manufacturer.

The word middleman is almost synonymous with dealer, emphasis being laid on the fact that the dealer is entirely independent of the grower, the manufacturer, and the consumer.

Manufacturers' Representatives—Branch Houses

The packer, canner, or manufacturer may have a selling organization all his own which does all or nearly all of

the work of wholesaling. These organizations may be manufacturers' representatives or branch houses, or some similar unit. They may be departments of the manufacturing concern, or groups independently operated. Those acting independently may more properly be called agents. These selling organizations usually consist of a corps of traveling salesmen who, under a manager, operate through permanently established offices.

Agents

Growers, manufacturers, and sometimes dealers, put the selling of their products in the hands of some kind of agent. These agents may have the exclusive sales rights to the entire output of the producer, grower, or manufacturer. Again, the agent may have only territorial rights to sell the goods within a restricted area. Methods of payment vary with the nature of the contract between the producer and the agent.

Brokers

Essentially, the work of the broker is to represent the seller or buyer. Often he only places the seller in touch with the buyer and seldom, if ever, does he take title to the goods. For this service he receives a commission which is more or less a standard amount, fixed in some lines at 2½ per cent or 5 per cent, and rarely as high as 10 per cent.

He does business in the name of his principal, not in his own name, and the title of the goods passes directly from seller to buyer.

The broker neither handles the goods nor collects payments, as a general rule. Sometimes, however, he does more than what has just been stated. He furnishes market information, collects payments, advances money, divides car-

load lots and sells the smaller units, protects the shipper's interests where losses due to transportation are concerned and accounts to the seller for all transactions. These functions are usually performed by commission men.

Brokers sometimes deal with each other and turn over part of the business to another broker and split the commissions. More often brokers handle only large quantities such as carload lots.

Commission Houses

In most cases the goods are consigned to the commission man who arranges for all the details of the selling, handles the goods, fixes the price, collects payment, and credits the producer's account with the net balance after expenses are deducted.

The producer's account is balanced periodically and payment sent to him. Like the broker, the commission man does not take title to the goods, but sells only for the account of the owner.

The income of the commission house is derived from an agreed percentage of the selling price usually ranging around 10 per cent, though it might be more or less.

The customer is furnished with a full account of selling expenses, commission deducted, price received, and the balance due.

Wholesale Merchants

This class of dealer buys goods outright, pays for them, takes title to them, and sells them again. He deals usually in large quantities and relies upon the difference between the buying and selling price for his profit.

Jobbers

The jobber buys in large quantities from the wholesaler and sometimes from the manufacturer, separates the goods into smaller units and sells directly to the retailer the size of the unit he requires. He also relies on the spread between the buying and selling price for his income. The jobber does not appear in all lines of distribution, but in some he performs a very useful division of specialized labor, especially in fields where it is impossible for the retailer to carry large stocks. The jobber carries a stock sufficient to supply the needs of several retailers.

Speculators

The speculator may or may not be a merchant. His object is to buy goods and sell them at a profit. Unlike the merchant, he does not aid in the movement of goods from the original producer to consumer. Usually the speculator does not handle the goods; he merely buys a right to demand delivery, waits for market conditions to change in his favor and sells at a profit, there being no actual delivery of goods.

Country Collectors

The country collector visits farmers and other small producers for the purpose of gathering a sufficient quantity of goods to justify a shipment. These collectors ship to the wholesale markets. They perform a real service to the small farmers. Without these men, the farmer with a small quantity to sell would be deprived of a market and an income.

Shippers

A shipper is one who has facilities and equipment for the proper packing of produce of the grower, large or small,

and ships to the wholesalers and commission houses when a car lot has been packed. He must be familiar with the business methods of transportation companies and have a knowledge of and be able to make market connections.

Receivers

Receivers handle goods sent them by distant shippers. Their transactions are usually large and they sell to the wholesalers.

Exchanges

There are two types of exchanges. One serves as a connection between the individual growers and the dealers in distant markets. The other is an association of dealers in a market city which furnishes facilities for carrying on business and serves its members in various other ways, but does not itself engage in trading.

The outstanding features of the first type of exchange are:

1. The exchange as the selling organization for its group of growers often markets the grower's entire crop and sometimes advertises nationally.
2. The exchange may be organized as:
   A. A joint stock corporation.
   B. A mutual society.
   C. A co-operative association.
3. The control of the exchange is vested in the growers who own the stock.
4. The exchange inspects and grades the product.
5. The exchange often pools shipments of the grower.

The important features of the second type of exchanges are:

1. Usually found in the food trades, especially butter and eggs.
2. Furnish a place for members to do business and look after their interests, but do not themselves engage in marketing.
3. Members are usually wholesalers who do part or all of their business on the exchange.
4. Trading is done on the floor of the exchange and takes the form of bids and offers which are posted on a blackboard. These figures serve as a basis for published market prices or quotations.

Packers

The packer usually puts up food in packages, but sometimes merely markets food already packed. Canners often are considered packers. In certain instances the packer's manufacturing functions consist of the buying of goods in the bulk and packing them in packages bearing his own brand.

Distributors

The primary function of the distributor is to direct the shipment of products from the grower to the best market. He does this through the information obtained through his own branch houses or from brokers and agents. This sort of directing, however, is usually incidental. This phase of marketing is often performed by brokers and wholesale merchants.

RETAIL MIDDLEMEN

The goods pass from the hands of the wholesale middleman to the retail middleman. There are various types of

retailers which may be classified as follows:

1. The regular retailer.
2. The department store.
3. The mail order house.
4. The chain store.
5. Consumer co-operative organizations.
6. Municipal markets.

Regular Retailers

Among the retailers are the grocers, hardware men, druggists, and the neighborhood shops which we all visit. They are for the most part owned by individuals or by several individuals in partnership whose entire business consists of running the one store.

The Department Store

The department store is nothing more or less than a number of retail stores under one roof. They, as a rule, handle all kinds of food, furniture, clothing, jewelry, and other necessities and luxuries too numerous to mention, depending upon the particular store. It takes more capital to operate a department store than a single store and it is usually owned by a few persons with capital enough to finance such a business.

The Mail Order House

The mail order house sells direct to the consumer through catalogs and letters. We all know the comparatively few outstanding mail order houses of the United States and are familiar with their selling methods.

The Chain Store

A number of large manufacturers of lines like shoes and clothing have adopted the chain store idea in order to market their product through their own retail sales organization. That is, they have placed stores in favorable loca-

tions in various cities. Another type of chain store is the Atlantic and Pacific and the Piggly Wiggly stores, which buy food products in large quantities and retail them through their various stores.

Consumer Co-operative Organizations

In numerous instances groups of consumers organize, select a buyer and a place of business, and purchase their supplies at a lower cost than they could buy from the ordinary retailer.

These co-operative societies have here and there succeeded, but have failed in many instances. However, the idea is good if it can be carried out successfully.

Municipal Markets

Municipal Markets have been more successful in Europe than in United States. The idea has gained ground in some of our larger cities which have provided a location and sheds where producers and growers may place their products on sale.

The chief objection to these markets in the large cities is the distance between them and the homes of the consumers, since the consumer must carry home his purchases. However, people with automobiles or other means of transportation advantageously use the municipal markets.

Selection of Method

The wholesale and retail merchants or distributors have just been discussed as individual units of our huge system of distributing merchandise from the producer to the ultimate user. This shows us the many possible methods which may be used in marketing goods.

The next thing to consider is which of these we will choose to market a certain product.

Let us assume that you are a manufacturer of certain lines of hardware. The problem before you is to choose the best method or channel of distribution. You may choose to sell your entire output to an agent, or you may choose to sell your product direct to different wholesalers and jobbers. In the latter case you will need a sales force of your own to cover the territory.

On the other hand, you may establish chain stores of your own operated by store managers and clerks employed by you.

Still another available method is to maintain a large sales organization to sell direct to the many retailers all over the country, or even direct to the consumer.

Then again, you may sell direct to the consumer by the mail order method with the aid of letters, advertising, and catalogs.

Your choice of these will be governed by the plan which produces the most sales at the least cost in time, effort, and money.

Another factor to be considered is the protection that the plan offers in assuring continued business and going markets in the future.

In the foregoing paragraphs we have seen what distribution means, the various channels of distribution, and some of the problems we must consider in choosing a system for distributing or selling a product.

As selling is the most important part of distribution, the salesman is the most important factor in making contacts between middlemen themselves and between middlemen and

the consumer. As indicated by the chart, every producer, manufacturer, or middleman needs salesmen to sell either to another middleman or direct to the consumer.

The big fact is that the middleman is selling, no matter who the buyer is, and salesmen are needed to make the contact. It remains for the salesman to decide the type of selling in which he would like to engage and that for which he is best fitted, and then understand where he belongs in the program of distribution.

By these various channels we see the connection between the producer and the consumer and the manner in which all are linked up by the salesman. He is the channel connecting the one with the other through that which is supplied by the producer, finds its way to the consumer. All these steps are not essential to the distribution of every product. The producer or manufacturer may sell direct to the consumer through the salesman, and even wholesale houses are in some instances sending out their salesmen to sell special articles direct to the consumer.

SUGGESTIVE QUESTIONS

You cannot apply what you do not know, but you can fail to apply what you do know. There is more unused power than there is power in use. How much of your full ability do you keep employed?

I. The use of middlemen in distribution.

1. In what seven general ways do these men operate?
2. How may they be grouped?

II. Wholesale middlemen.

1. What is the business of the broker and of the commission house?

2. From whom does the jobber buy, and how large a stock does he carry?
3. How does the speculator differ from the merchant?
4. Note the difference between the two types of exchanges.

III. Retail middlemen.

1. In what way does the department store differ from the regular retailer?
2. Through what channels does the mail order house do business?
3. On what principle do co-operative organizations do business?
4. Where are municipal markets more successful? What is the main objection to them in cities?
5. What is needed by every producer, manufacturer and middleman?

PRACTICAL TALKS SERIES

ORDER AND SYSTEM

PRACTICAL TALKS SERIES

ORDER AND SYSTEM

System is laying the rails for the train of your activities—
Let the rails spread and your train is ditched.

IF "ORDER is heaven's first law," as Pope declared, then a lot of people are going to have a great time for a few centuries getting used to their new surroundings. Plan your work, then work the plan.

Everyone accepts the wisdom of that injunction, but not more than one-half of them apply it.

The idea of order suggests harmony and balance. Harmony is proper relatedness. In a room it has to do with the color scheme and the arrangement of things. You would no more put a dish-pan and some kitchen pots on top of the piano, than you would put the piano in the kitchen. Because a room has two tables, they are not placed side by side for the sake of classification.

You could never make a store window attractive by stacking your merchandise as you would in a stock room. What you are seeking is not classification, but pleasing and novel effects. Your orderly arrangement is one of contrasts.

A certain order may be opposed to the right way of doing a thing. A methodical salesman followed that kind of an order when he started at the beginning of his prospectus and went through it consecutively, page by page. The sale was killed dead by an over-dose of order.

Another salesman, who knew how to use that prospectus as a scientific salesman, began in the middle of it, possibly,

and jumped from that point to the first page. He was following the mental order of a good presentation rather than the order of materials.

If you were selling the consumer direct which required you to call at the homes or places of business, you would be pursuing an orderly method by taking them as they came, but it might be a very poor selling system.

You could do it another way—by jumping around the town doing a lot of unnecessary walking, without any good reason for doing so. This would be devoid of order, system and common sense.

If it was your idea to get the best names in the place to head your list of customers, and they lived in different sections, then you would be following a well-defined system, a good order of procedure.

Some people have no order in the sense of regularity. Certain things that should be done at specific times are liable to be done at any old time. The result is confusion, and confusion is loss ALWAYS.

"We always did it that way." Why? "Because we have found it to be the best way." That is all right, but while you were settling down to your best way, others were finding a still better way.

There may be a reason for doing it your way, but in very many cases people do things a certain way because they have not enough ambition to get out of a bad rut.

This is order only in one sense. A lot of stores have had their merchandise in the same place for so many years that a customer could put his hand on any article if the store was as dark as a pocket.

In many situations what is needed is to break up the order, not to become disorderly, but to have a new order. There is some value in change and variety. The old-time merchant comes to venerate the order of things in his store —it is so gray-headed with age.

Why is it necessary in the large cities to have a policeman at every crossing? So traffic will not get into a jam. That is what happens to the salesman who does not work by a result-producing system. His time and energies will be scattered and confused, and it will take him a whole day to do a half day's work.

Don't guess at it. Sit down calmly and think it out. A good working system is a first principle in salesmanship.

SELF-QUIZ

1. Do I acquaint myself with all the channels through which my product may be distributed?
2. Do I know all the connecting links between the manufacturer and producer and the consumer?
3. Do I realize that it is the salesman who brings about the distribution of the various products?
4. Do I make it a point to find out who the middlemen are and their duties in relation to my products and others?
5. Do I put myself in position to figure "costs" in the distribution of my product, in order to acquaint my customer with these facts when necessary?
6. Do I distinguish between the Wholesale Middleman and the Retail Middleman?
7. Do I know the various types of Middlemen, how they operate, and to whom they sell?
8. Do I know why some channels of distribution are more successful than others?

9. Do I study and analyze the market conditions in order to acquaint myself and my customer with the quickest and cheapest way of distributing a product?
10. Do I take into consideration the building of my customer's business for the future when selecting the best method of distribution?

SECTION II

STAPLE SELLING

STAPLE SELLING

FEATURES OF STAPLE SELLING

Selling Various Commodities.
- Necessities. This an advantage Use of samples.
- Selling many things, not a particular thing.

Importance of Re-Sales.
- Securing confidence of customer
- Quality of goods and service.

SCIENTIFIC SALESMANSHIP

Basic Principles Cover All Forms of Selling

Necessity of Training.
- Not a "born" salesman.
- Experience not equivalent to instruction.

DISTRIBUTION

THREE FORMS OF SELLING

Selling for the Manufacturer.

Selling for the Jobber
- Jobber's experience as a buyer
- Quality goods and bottom prices.

Selling to Retail Merchants.
- Demand quality goods.
- Advertising matter
- Exclusive selling of product.

YOUR METHOD OF DISTRIBUTION

The Line You are Best Qualified to Sell.
- Adaptation to a particular line

The Proposition Within the Line.
- One suits you better than another.

SECTION II

STAPLE SELLING

THE essential difference between staple and specialty selling has been indicated. The basic principles of salesmanship apply to both lines of selling. These principles are not affected by the difference in these two lines, but are permanent factors in the whole field of distribution.

Although the fundamental principles are the same, their application is determined by the requirements of each line. The products handled by the staple salesman do not, as a rule, have as many talking points as does the specialty proposition.

The dealer has met with competing goods to such an extent that he is usually well acquainted with the various products, whereas the specialty salesman's prospect may be wholly ignorant of the proposition.

Thus in selling an individual thing the application of the principles of salesmanship will necessarily differ from the selling methods of the staple line. The fundamental elements, however, apply to both.

Special Features of Staple Selling

The staple salesman is differentiated from the specialty salesman in two particulars.

Selling Various Commodities

The wholesale salesman selling staple articles usually carries an extensive line of samples. In many cases these samples amount to hundreds of pounds of excess baggage,

that is, baggage above the amount allowed to be "checked" on a railroad ticket, additional charge being made for the excess. The samples represent the lines of goods sold by his house. This is one distinguishing feature of staple line selling, so different from specialty selling in which the salesman usually handles but a single article.

The staple salesman prefers to handle many commodities. He is not dependent upon one article in making a sale. If he cannot sell the customer a particular thing he can sell him others and thus get an order. The customer may not want his coffee, but he wants his tea, canned vegetables, dried fruits and other things. He may not want dress goods, but will order a supply of ribbons and notions.

If the specialty salesman does not sell his one article he makes no sale. While the staple salesman has an advantage in this particular, the specialty salesman has a decided advantage in the larger profit on a single item.

Importance of Resales

Another feature peculiar to staple selling is the re-sales. The specialty salesman may never sell the prospect but once; the staple salesman must depend upon the continued patronage of his customer. A single order would mean little or nothing to him.

He must rely upon the quality and price of his goods, the discount he can give the dealer, and the service rendered by the house in the way of delivery and otherwise. There may be little or no difference between the quality and price of his goods and those of the competitor. The quality of salesmanship must be better.

The merchant knows his competitor's goods and with tactful coaching from the salesman can talk intelligently

about them. On the other hand, the proposition of the specialty salesman may be wholly new to the prospect, and a competing proposition may never enter into the matter.

The staple salesman must secure and retain the confidence of the customer. This must be done largely on a personal and service basis. The customer must have confidence in the product, in the salesman, and in the house. But it is the salesman who, in a large measure, creates this confidence. His personality and service must be such as will hold the interest and allegiance of the customer.

This personal attitude toward the salesman is a large factor in staple selling. He must be a good mixer. He cannot always talk quality as compared with competing goods, since the latter may be just as good. It is what the customer thinks of the proposition before him that causes him to buy, or to refuse to buy.

Upon the qualities of the goods, the salesmen, and the service, depend the re-sales. He must build up a permanent business. The customer must be satisfied with the goods and the service so that the competitor can offer him no inducement to change his house.

The goods of a house may be much superior to similar goods of other houses; and if so, these are strong selling points. In fact, this would be the essential basis of patronage. The merchant knows that his trade will soon discover the better quality of the goods, and that by them he will build up a substantial business. The people will demand them and will be satisfied with no others.

The outstanding thing in staple selling is the fact that it supplies necessities. We must have food to eat, clothes to wear, tools, implements, and the like commodities. The demand is steady and regular, and so must be the supply.

The merchant must be stocked up; this means a continuous business for the salesman. The scientific salesman is quick to take advantage of any point in which his goods are superior to competing lines.

The salesman who is naturally adapted to staple selling enjoys this type of work. It is a pleasure to make his periodical call upon his customers. He likes to form and hold friendships. This is an important factor in staple selling.

Scientific Salesmanship

As has been stated, the fundamental principles of salesmanship are the same whether one is selling a staple line or a specialty. The application of the principles may be different, but the staple salesman is as scientific in the handling and presentation of his goods as is the specialty salesman. Introduction, explanation, demonstration, suggestion, and tactful assumption must be employed. After he has introduced his goods, if they hold up to his claims, it is easy to re-sell them on future calls, but he never fails to apply the principles of selling in making his re-sales.

The staple salesman is no more a "born" salesman than is the specialty salesman. As in the case of any salesman, he possesses certain aptitudes or qualities which may determine the line for which he is best adapted, and in which he would have the greatest success. But this does not make him a success. There are things with which he is not born. He is not born with a knowledge of certain facts and principles. He succeeds because he has learned certain things, has received definite instruction, and knows what to do and how to do it.

Experience is not equivalent to or a substitute for a course of instruction. Any one can get experience, but it

may be a damaging and costly experience. In that sense experience is simply trying to do the thing, and in the main doing it incorrectly. Not knowing the principles to be employed, he may follow a mistaken procedure for years and lose enough sales to have made him wealthy.

It does not follow that retail selling, or selling behind the counter, qualifies one for wholesale selling. It may be a great help and prove to be a valuable experience. But there is a vast difference between selling people who come into the store to buy something and going after the prospect to make him a buyer. There is, for example, the matter of *pre-approach,* which enters but little into retail selling. Again, the approach has practically no significance, as it has in wholesale and specialty salesmanship. When the customer enters the store he is interested in buying; the interest is there, ready to be developed. The salesman has only to know his goods and serve the customer as helpfully and courteously as possible.

When the customer comes into the store the retail salesman says, "What can I do for you?" When the salesman comes to the prospect the latter says, "What can I do for you?" The situation is just reversed.

Three Forms of Staple Selling

Selling for the Manufacturer

The point of view of the jobber or retailer is different from that of the consumer, and the salesman in each case has a different set of problems to consider.

As a salesman on the road, do not get the idea that you cannot sell the buyer of a jobbing house or of a retail store, because you have a line of goods which is no better than that of your competitors. Bear in mind that your competitor feels the same way about it, and that it is pos-

sible, through sincerity, enthusiasm, and reasons why, to convince the buyer of the merit of your goods.

The jobber or wholesaler is important to the business scheme and is usually well aware of that fact. The difference between the two is that the jobber usually sells in larger quantities than the wholesaler, sometimes taking over an entire factory output. The retailer is the last link in the chain of distribution between the producer and the consumer. As we have seen, many manufacturers sell direct to the retailer instead of through a jobber or wholesaler, but when your line of goods is handled through the jobber, it is necessary that you give it every attention and know the arguments and appeals that will induce the most reluctant of these prospects to buy.

The buyer of a jobbing or wholesale house is a salesman himself, and usually a first-class one; he can see the merits of merchandise, and he usually knows your goods to a greater or lesser degree. He has ability in his line, and he may know the competing goods as well as you know your own. It is therefore strictly up to you to approach him as a shrewd and able business man and to present sound and strong arguments or reasons why he should stock your line.

Here are some important points that must be considered when you sell to any middleman. The consumer buys your goods to use them. The buyer of a retail, wholesale, or jobbing house buys them for re-sale. He must therefore be reached in a different manner from the consumer. With the jobber, wholesaler, or retailer you will be obliged to state the profit he can make and the service or satisfaction he can guarantee his customers.

Buyers are in the market for the best goods at the lowest possible prices, and if you want to be a success as a whole-

sale salesman you must be able to meet competitors' terms, or show that your goods are worth more and can render a better service to the consumer. Convince the buyer that he can re-sell your goods at a fair profit and you can sell him. The buyer wants goods which have quality, low or reasonable prices, and which will bring credit to his house and satisfaction to his customer.

Selling to the Jobber

When the salesman represents the manufacturer he is up against some keen buyers. He must sell to the buyers of wholesale or jobbing houses or large retail department stores, as some of the larger department stores do both a wholesale and a retail business.

The buyers of such houses have gained their experience under competitive conditions, and have been hired in most cases because of their ability to get quality goods at the best prices and to get the manufacturer to give more service than would be given except under compulsion.

The average small retailer will often buy on a superficial sales demonstration; but this is seldom true of a buyer of a jobbing house or of a large department store. To secure such a man's confidence you must know all the details of your goods, and you must be able to answer all his questions and objections quickly and accurately and be ready to subject your goods to the most exacting tests.

When you get such a buyer's confidence, he will often do a large business with you. It is not easy to make a friend of such a man, but he is worth extra effort and consideration, as he gives large orders when he believes in the salesman and likes his goods. A jobber or big buyer is usually a good judge of merchandise, and nothing but straight-from-the-shoulder facts about your goods will convince him.

The big buyer is sure to demand a rock-bottom price, and the salesman should be prepared to give it when he comes to sell such a house. It is often necessary that goods must be delivered quickly so an immediate demand can be filled. He must also be able to satisfy this requirement.

It is often possible to convince a buyer for a jobbing, wholesale, or large retail establishment that your goods measure up to his requirements simply by demonstrating the points which you know will aid the sale. When special designs are to be made, be sure that your house is prepared to make them before taking the order. You should also know, before you leave your house, whether your firm will grant a particularly big buyer exclusive sale of your goods in a given locality.

Selling to Retail Merchants

The retailer is the customer that re-sells your staples or specialty to the consumer. He usually carries a large line of necessities and some of the luxuries, depending entirely upon the class of trade and the demand for goods in his community.

As a general rule, the retail merchant takes a strong personal interest in his customers and usually knows what they want.

There are times when the retail merchant is entirely too conservative. There are other times when he is too careless in his buying. The wholesale salesman will do all he can to induce the retailer to buy all he can sell; yet he will take care not to overload him, as it is his purpose to make him a permanent customer. He can do this only by being square.

If he does not buy enough of your line of goods he may give an order to another salesman when he runs short. If,

on the other hand, he over-buys, he may not re-stock your line, as he will undoubtedly blame you for over-stocking him—a thing he knows you would not do if you were really his friend and interested in his business as much as you are in your own.

When you try to sell the retailer there are certain standard conditions that you should know. Merchants want, first of all, dependable goods that can be sold at a definite and satisfactory profit. You may carry a line of goods that a retailer could sell with benefit to himself and to his customers, but he does not know this until you prove it to him.

Convince him, and he will stock your goods.

When your house has created a demand for your line through advertising, sampling or other methods, show the merchant that it is to his advantage to put your goods in stock to meet this demand.

If you are an unusually good salesman you may go out and stir up business for the retail merchant, and thus convince him of the value of your product; it may be that the policy of your house includes advertising your goods locally or nationally for the benefit of the merchants who handle them.

It is also possible to get a retail merchant's interest through new styles that are likely to become popular, are popular in other cities or localities, or which satisfy a public demand. You may also interest him through a one-price policy.

It is an advantage to establish a definite price for goods and to stick to that price under all circumstances.

If you can convince him that other retail merchants are making money selling your goods, the merchant will be interested and may conclude that he can do the same.

He will be interested in your line when your house guarantees the quality of the goods and the satisfaction of the trade. Goods sold on easy terms may also interest him.

If you can offer a retailer the exclusive right to handle your product in his locality or community he will usually be interested. Care, however, should be taken to have a clause in such an agreement that will protect yourself as well as the merchant, for some merchants will sign up for a line of goods simply to keep a competing merchant from getting it. Hence such a clause should require that he purchase a certain quantity of the goods.

It is also possible that he will buy your line of goods because it will help him to sell other slow selling articles he now carries in stock.

Anything and everything that will help you get your goods on his shelves and then off his shelves at a profit to him must be brought to his attention.

Thus we see, as indicated by the diagram on a former page, the manner in which the salesman is the go-between or connecting link in all of these situations. He is the channel from the producer to the manufacturer, from the manufacturer to the jobber, from the jobber to the wholesaler, from the wholesaler to the retailer, and often from the wholesaler or manufacturer directly to the consumer.

Your Method of Distribution

It is of the first importance that you make no mistake in the line you sell, whether staple or specialty. It does not follow that the ability to sell signifies your ability to sell

anything. You may be an excellent staple line salesman and a very poor specialty salesman, or just the reverse.

The same care must be taken within the line itself. You may be exactly adapted to selling groceries, but unable to sell hardware or furniture. The specialty salesman soon discovers something is wrong when he mistakenly gets into the staple line.

It is this sort of bad judgment that is responsible for much mediocre selling. Too often the salesman, not knowing what is the trouble, concludes he is not "cut out" for salesmanship at all and tries something else. He might be an excellent salesman in the line for which he is adapted.

His mistake in selecting the wrong branch of salesmanship causes him to misjudge his abilities. He measures his poor success by that of the top-notcher and becomes discouraged. He fails to realize that the other man is a top-notcher partly because he is in the line for which he is best adapted, and that he himself would be equally successful if he were in his right place.

SUGGESTIVE QUESTIONS

Some people think we are over-working the word "efficiency." But it is dead certain that we are not over-working the thing itself. Would you say that in the various vocations there is 50 per cent of efficiency? Here is the biggest room in the world—room for improvement.

I. Special features of staple selling.

1. What is the difference between the staple and specialty salesman in handling goods?
2. Why does the staple salesman prefer to handle many commodities?

3. What advantage does the specialty salesman have in selling one thing?

4. In what way do these two classes of salesmen differ in the matter of re-sales? What peculiar relation does the staple salesman sustain to the customer that is not true of the specialty salesman?

II. Scientific salesmanship.

1. Do the fundamentals of salesmanship apply to all lines of selling?

2. In what one particular does retail selling differ from that of the specialty salesman?

III. Three forms of selling.

1. State the three forms of staple selling.

2. On what two points must the retail merchant be satisfied if you are to win his patronage?

IV. Your method of distribution.

1. Is every salesman especially adapted to a particular line?

2. Why is one man a top-notcher and another man, equally intelligent and industrious, selling the same line, is not?

PRACTICAL TALKS SERIES

RESOURCEFULNESS

PRACTICAL TALKS SERIES

RESOURCEFULNESS

When your resources are unequal to your tasks—
Your liabilities are greater than your assets and
you are heading for bankruptcy.

THE accumulations of your life are a bank upon which you can draw checks at will. If you have nothing in the bank your check book is worthless.

People devoid of ability to put through their enterprises must draw upon the resources of others, for which they must pay an equivalent in some other form.

The man without resources must either borrow or take from another. If he has no collateral, can give no security for a loan, he is liable to form the habit of making himself presents of what belongs to others.

The man who has not brains enough to invent a salable article, but could market it, may steal another man's idea before he has time to patent it. There are many "respectable" people who ought to be in jail rusticating with their fellow thieves.

Bluffing is no good when you are compelled to deliver the real thing.

You think you will be equal to the demands to be made upon you when the moment comes. You are heading for a fall as sure as death and taxes.

The only way you can draw on a bank when you have no deposit, and cannot negotiate a loan is by forgery and getting what belongs to another depositor. If, in your

desperation you do that, you are liable to be put where the dogs won't bite you.

In the bank of life's mental and moral resources no one makes deposits in large amounts. They are daily accumulations, a fact here, a principle there, knowledge gleaned, a new power discovered.

You invest these resources in a splendid activity and get dividends that double or treble your accumulations.

You have cultivated the power of concentration. It is a resource. An occasion arises that requires the application of this power. It may change the course of your life by placing you in an opportunity that will carry you to independence.

You have accumulated integrity, absolute conscientiousness and moral reliability. A position of great trust is open. The asset of paramount importance it requires is what you have been accumulating through applying right principles in the transactions of your life.

A salesman handling an unusual proposition, greatly pleased a lady of prominence and refinement. Speaking of him to her husband, in showing him what she had purchased, she said, "He was one of the best mannered men I ever met, and had such excellent diction." If that salesman had made that call when he began his selling she would have met an uncouth, stammering country boy. Those fine manners and excellent diction that commanded attention and challenged criticism were the accumulations of months.

Why are you going to succeed where other untrained salesmen have made abject failures? You are gathering selling resources. Gathering a principle here, a method of

presentation and closing there, this procedure, that instruction, facts and suggestions, a new inspiration to be and do your best—these are your daily accumulations. You will draw heavily upon these deposits, you will invest them and the returns, the dividends will reward a hundred-fold the effort employed.

What is the matter with your friend Tom? He is a nice fellow, the boys like him, he has many likable qualities, but he does not succeed.

His language is poor, his approach is weak, he creates little interest, he is not an authority to the prospect in stating the facts, he does not know how to close, in fact he is short on selling resources.

An indolent fellow was living in a small shack without a roof. A man asked him why he did not roof it. He replied, "When the weather is fine I do not need it, and when it rains I can't put it on."

The man without resources will encounter the rainy days, and, being unprepared, will get "soaked".

Be honest with yourself. Take stock of your working abilities. You may have enough unused resources to start a bank.

SELF-QUIZ

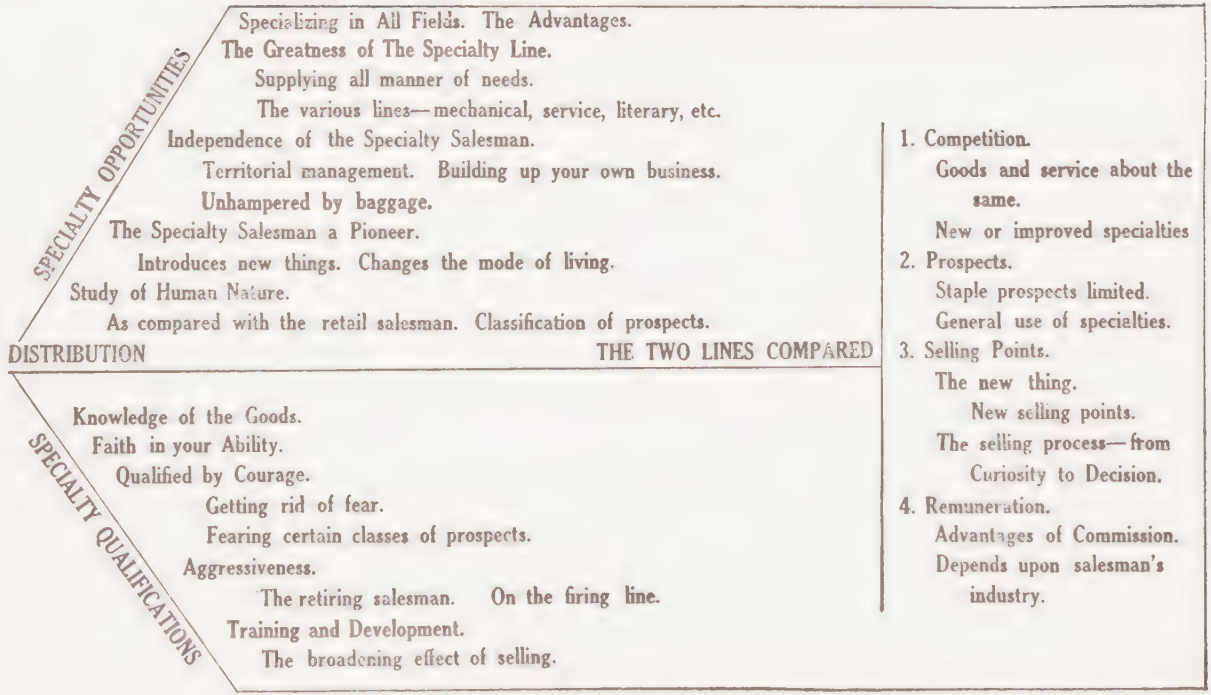
1. Do I recall the essential differences between staple and specialty lines?
2. Do I know the kind of commodities included in a staple line?
3. Do I realize that the ultimate end in selling is to the consumer and that he must be satisfied?
4. Do I measure the importance of re-sales when handling a staple line?

5. Do I appreciate the value of permanent customers and of having such customers recommend my goods to others?
6. Do I draw from my own experience facts that will help me in my present work of selling?
7. Do I understand the relation between the manufacturer, the wholesaler, the jobber, the retailer, and the consumer?
8. Have I analyzed myself to determine what line I am especially adapted to sell?
9. Do I fortify myself with a thorough knowledge of my product in order to meet any questions or objections?
10. Do I convince my prospect of the need for his stocking my goods on account of the demand which has been created?

SECTION III

THE SPECIALTY SALESMAN

THE SPECIALTY SALESMAN


SPECIALTY OPPORTUNITIES
Specializing in All Fields. The Advantages.
The Greatness of The Specialty Line.
Supplying all manner of needs.
The various lines—mechanical, service, literary, etc.
Independence of the Specialty Salesman.
Territorial management. Building up your own business.
Unhampered by baggage.
The Specialty Salesman a Pioneer.
Introduces new things. Changes the mode of living.
Study of Human Nature.
As compared with the retail salesman. Classification of prospects.
DISTRIBUTION
THE TWO LINES COMPARED
1. Competition.
Goods and service about the same.
New or improved specialties
2. Prospects.
Staple prospects limited.
General use of specialties.
3. Selling Points.
The new thing.
New selling points.
The selling process—from Curiosity to Decision.
4. Remuneration.
Advantages of Commission.
Depends upon salesman's industry.
SPECIALTY QUALIFICATIONS
Knowledge of the Goods.
Faith in your Ability.
Qualified by Courage.
Getting rid of fear.
Fearing certain classes of prospects.
Aggressiveness.
The retiring salesman. On the firing line.
Training and Development.
The broadening effect of selling.

SECTION III

THE SPECIALTY SALESMAN

WE ARE now in an entirely new field of selling. The fundamental principles of salesmanship are the same as in the staple line, but the two methods of distribution are essentially different.

We are no longer handling a general line of products, but single items. It will be readily seen that this fact will determine a new order of things in the selling procedure.

Your proposition may be of the nature of a staple article, an article of food or of clothing. This is a staple specialty. It may be a non-staple specialty, such as insurance, typewriter, automobile, books, stock, etc. If you are selling a staple specialty such as coffee or hosiery, in staple selling it would be but an individual item of a line. In other words, you specialize in some particular staple article. This briefly states the difference between staple and specialty selling, and the two forms of specialties.

OPPORTUNITIES IN SPECIALTY SELLING

Advantages of Specializing

Every vocation, every profession, has its specialists. A doctor specializes in some branch, such as nose, ear, or throat; a lawyer in some phase of law; a teacher in some line of research. In a peculiar sense this is a day of specialization. The attention and energies are concentrated upon a particular thing.

It stands to reason that better and more intensive work can be done in a single field than in trying to master half a dozen. The biologist does not attempt to deal minutely

with philosophy, astronomy, or economics, and the specialist in philosophy knows more about that than about other fields of research.

The specialist aims to become an expert in a given line. He masters one thing, investigates it thoroughly, and makes a definite contribution to that subject. He becomes an authority in that field. It is a great gain to the world that men have devoted their life to some one interest, have gone to the roots of it and opened it up in its details. Electricity, for example, is much farther advanced as a branch of science because men specialize in it, than if all men engaged in scientific research gave equal attention to all the sciences.

The same specialization is applied to selling. The specialist reduces the selling of a particular thing to a science. He studies intensively every phase of his proposition from raw materials and methods of manufacture to delivery of the goods. As he becomes thoroughly proficient in handling such a proposition, his earnings should be greater than by scattering his energies over several things.

By this is not meant that he will carry a particular specialty for a lifetime. He may do the same thing with several propositions, but in each case his entire attention is given to one. A particular thing may cease to be salable, or for other reasons he may take up another specialty. It should be clear that there is as great an advantage in specializing in selling as there is in specializing in other professions and branches of business.

The Greatness of the Field

We are staggered in our attempt to compass the range of this line. The inventor has invested it with the wealth of his genius and has put the salesman to work in scores of ways. These things not only meet existing needs, but

create them. They stimulate new wants, and thus our interests are greatly enlarged. We become accustomed to new ideas and things of use, and wonder how we ever got along without them.

In this manner the home, the school, the church, business, and other institutions are benefited and advanced along special lines.

This extent of the field is seen in things small as well as great. There are small things on the market that have made fortunes for the men who have created and for those who have produced them, as well as for the men who have given them a wide distribution.

Some salesmen do not care to handle a small article; others see in it a great opportunity. They realize its selling power because of its wide-spread need, and they organize field operations on a large scale. It is inexpensive and the sale is quickly made. The commission is small, but it is not a question of commission but a question of sales.

This last fact is frequently overlooked by the salesman. He is influenced by the commission and not by the proposition. A sales director was one time handling a sales force on an inexpensive but very valuable proposition. One of the salesmen, whose commissions average about $600 per month, concluded he could handle equally well a larger proposition in the same general line that would pay a much greater commission on each sale, and hence double or treble his income.

The director offered to connect him with such a proposition that paid a commission of $25.00. It was an expensive, high-class proposition. This salesman saw himself getting rich earning about $1,000 or more per month. He carried the proposition for one month, and his commissions for that

time amounted to $300, or one-half of what he realized on the small proposition. His commissions for the next month were about the same.

He returned to the director and said, "This is a fine proposition and the commission is good, but it was a tough job making three sales a week. In two months I have lost $600 and I would like to get back on the old job and stay by it."

Your prospect needs investment securities, an adding machine, automobile accessories, a radio outfit, a new kitchen utensil, a labor-saving device, and a hundred other things.

You are adapted to selling service; there are various propositions waiting for you.

You are well qualified to handle a mechanical product; there is no end of opportunity in this direction.

You prefer the educational field; you can have your choice of many desirable and highly remunerative propositions.

All that is needed is that you go to work, energetically push your specialty, and earn the large income which is awaiting you.

Independence of the Specialty Salesman

Are you interested in working for yourself?

Do you want to control your working hours?

Do you want to earn all you are worth?

Are you interested in territorial management?

Do you want to be unhampered in your selling?

These are some of the questions that are answered to your satisfaction by specialty selling. It offers a great induce-

ment to the salesman. It sets before him the opportunity of being in business for himself. He can determine his own working hours. He wants to earn all he is worth and all he can, and is willing to spend some of his evenings in selling prospects.

You would like to build up a business for yourself and put your organizing and executive powers to work. Your proposition affords you the opportunity of handling a territory in which you can make use of 25 or more men. The house needs just such a man as you are to push the distribution of its product and save it the necessity of getting salesmen for that section. The opportunity is yours if you are able and willing to qualify.

A member of a firm remarked one day that he had territorial managers whose income from the sales of their forces amounted to much more than his profits on the whole business. This is frequently the case.

The specialty salesman is unhampered in the way of baggage. He is not required to look after a lot of samples and can devote his whole time to selling.

In these various ways there is an independence peculiar to specialty selling. It is for this salesman to utilize and not forego these advantages. Because the specialty salesman is working for himself, he sometimes wastes his time on the assumption he is the only loser. That is not true, but that is the way he looks at it. He could make a sale this evening by selling a prospect he cannot see any other time, but he would rather go to the "movie." Being his own boss is independence, but it induces wastefulness when the salesman does not utilize the advantage.

The Specialty Salesman a Pioneer

The pioneers in the early days went into unknown lands. They hunted, fished, explored, cultivated the soil, reared their families, and laid the foundations of civilization.

The specialty salesman, in a different way, is as truly a pioneer as were those who went from the East to the West and built Fort Dearborn, which was the beginning of the great city of Chicago. Specialty selling stimulates the same spirit of seeking new worlds to conquer.

This salesman usually works up his own leads and goes out after business. He takes an article that is useful, salable, and that appeals to the trade.

The spirit of the specialty salesman is a part of his stock in trade. He goes out to make a living or a fortune by the use of initiative, courage, perseverance, knowledge, and training. He often sells what the public needs but does not know that it needs it. He thus becomes an important factor in the distribution of the world's products.

He is a pioneer in that he enables society to reach a higher plane of living. He introduces the things that change the mode of living and that give a greater outlook and contribute to larger ends. This is a fine and inspiring opportunity.

When a specialty salesman comes to appreciate the dignity of his work in the social scheme, in the advancement of business efficiency, and in the building up of civilization, he is impelled to do his best at all times and under all conditions, regardless of how often he must call upon the trade for recognition of his goods.

The Study of Human Nature

The demands laid upon the specialty salesman in the form of an understanding of human nature offer him a great opportunity.

His position in this matter is quite different from that of the retail salesman. The retail salesman sees a customer for a few moments. A purchase is made and the customer leaves. There is not so much call for aggressive action on the part of the salesman and less mental resistance to overcome. There is, of course, quick adjustment to the mental state of the customer, but the knowledge that the retail salesman acquires of the personalities, qualities, and characteristics of his customers is in most cases limited and superficial.

Again, the staple salesman calls on the same customers repeatedly. He comes to know them by an extended acquaintance. There is not the same inducement to form an immediate judgment of men; it is not the last time he will see and deal with them.

With the specialty salesman this is quite different.

1. He must form instant and correct judgments of people.
2. He must detect outstanding peculiarities.
3. He must proceed on the basis of a quick appraisal.
4. He discovers wherein his judgment was correct or false.
5. Sales made and lost become a teacher to him.
6. His mode of action will be influenced by the traits of the prospect.
7. He must check up closely on his knowledge of human nature.

It will become second nature to him to measure and judge people as he meets them. He will find himself classifying them by the traits they exhibit. He will adapt himself to these, and when he meets one of a certain class he will know just what to do. He may be more or less unconscious of the fact that he is reducing his findings to a science, but, being a student in his field, he will welcome the findings of others.

He must form correct snap judgments because he may deal with this man but once. It is a sale or not a sale on the first interview. Even if his proposition requires two or three calls he must size up his man on the first call. He does not know whether or not this may be the only interview, and if he makes another call he must know the kind of approach and procedure to use, based upon the peculiarities of the prospect.

He discovers by making the sale that he correctly sized up his man, and it gives him a true lead as to how to act when he meets another man of that class. When he loses a sale he may account for it on the ground of a misjudgment of the prospect and learns his mistake when it is too late. But the experience will render him a valuable service in another case.

This is in itself an education. He comes to know people, their qualities, motives, ideals, and to know people is one of the greatest acquirements in life. "The proper study of mankind is man."

SPECIALTY AND WHOLESALE SELLING COMPARED

The fact that specialty selling may have certain advantages over staple or wholesale selling would not alter a salesman's attitude toward wholesale, if that were the line for which he was peculiarly adapted. He follows that

method of distribution because he is qualified for that form of selling and in that field can do his best work. What he is best qualified for he is very likely to prefer and be most interested in doing. In that work he will make his greatest success.

The specialty salesman, on the other hand, looks upon his line as having certain features that he considers are distinct advantages over wholesale or staple selling. He is not a specialty salesman because of these advantages, but because it is the line of selling for which he is best qualified, and he would adopt it as his line to follow even if staple selling offered the greater advantages.

It is quite important that we get clearly in mind this principle of selecting the line. Your method of distribution will determine largely your success. In the volume treating *The Goods* we emphasized this fact. Often the reason why some men of good selling ability are not successes and may even be below average, assuming that they are honest and diligent in their work, is because they are not in their right field of selling.

In such a situation a man is likely to conclude that his lack of success is due to the fact that he was not cut out for a salesman. It may be that he holds the mistaken notion that if one is capable of selling he can sell anything. This same man, mediocre in what he is now trying to do, would be a top-notcher in his right field. Hence, the salesman should not adopt this or that line because of advantages it may have over another, but because it is that for which he is best qualified.

You will learn more about your natural sales qualifications and the field for which you are best adapted when you take up the lessons on Character Analysis.

Competition

In respect to competition, the two lines are greatly different. In staple selling there is sharp competition. In many cases there is practically no difference in the quality of the goods or the price and service rendered. There may be little or no inducement for the merchant to transfer his patronage to another house.

When you call upon a dealer under such conditions, he is liable to say to you, "I do not see that you are offering me anything better than I am now buying. There is nothing unusual about your goods. They are of the same general character as those I am handling. They offer no inducement that would be a special selling point in supplying my trade. I have built up a good patronage on my present stock and they give good satisfaction. There is no object in adding your line in point of price and discount. So you see there is no reason why I should make a change or take on other goods which would have to compete with those for which I have an established sale."

The specialty salesman does not have such competition. His product may be wholly new. There is nothing like it on the market. It meets a real need. When he says to the prospect, "Here is something you have never seen before, Mr. Brown, and I am sure it will interest you," he has at once touched the prospect's curiosity. Here is something new, and it makes no difference how many new things there are, each new thing, because it is new, makes an appeal.

The product may not be new, but may be a great improvement on a similar thing. This added feature or value gets the salesman a hearing. The prospect may have the other article, but he sees so much advantage in this improvement that he will buy it. If he is a dealer he sees greater

business in the better thing, and it may even pay him to get rid of his old stock at a loss.

The reason for the appearance on the market of a new typewriter would lie in some feature that would be an advantage over other machines. In this respect it would have no competition. That which gives it a special character or advantage is the reason why it was made. It is the thing that will sell it. This value differentiates it from every other machine.

"You want to get the best and most work out of every typewriter, Mr. Smith. These attachments placed on top of the keys are a great advantage to the typist in operating the machine. The touch is different and it adds to the quality of the work." Until something else of a similar nature appears as an improvement, this device will have no competition. In this respect specialty selling has a great advantage over the other line.

Prospects

In regard to prospects specialty selling has a far greater range and a wider field. The staple salesman is limited to those prospects that deal in his line. He cannot sell his groceries to a shoe merchant.

A new automobile accessory is put on the market, and every owner of a machine is a prospect. "Here is a new tool, Mr. Jones, for jacking up the machine. Let me show you how it saves time and labor. It is simplicity itself. You would never use any other after having this." It makes no difference whether Jones is a banker, merchant, lawyer, or mechanic, the appeal is the same.

There are countless articles of this nature. Many new inventions belong to this class. The invention may meet a

household need, as every home is a prospect whether sold directly to the consumer or to the retail dealer. "This is a new kind of a broom, Mrs. Smith. It has no equal in running over hardwood flooring. You push it rather than draw it. Again, you can get under beds with this as you cannot with the ordinary brooms; and one of the best features is that it is made of such materials that it will outlast three common brooms." The new features attract attention and it has no competition.

When the grocery salesman comes into a community there is just so much business he can do. It is limited at the best. The specialty salesman comes into the same community with a product that keeps him there three or four weeks interviewing prospects.

Selling Points

In respect to selling points there is great difference between specialty and staple selling. The staple merchant is familiar with the various lines of merchandise in which he deals. There is not much difference in the several competing brands that are offered to him. There is not much to tell him. You do not have much opportunity to appeal to curiosity or interest. The salesmen of various houses have made him acquainted with their goods, and he may know more about competing lines than does the salesman.

From time to time a new staple product appears. Because it is new, it has selling points that call for salesmanship. "This is a new food product, Mr. Brown, which is having a splendid sale where it has been introduced. The materials themselves are such and are combined in such a way and by such a process that the food properties are highly nutritious and very tasty. Let me explain the product and its selling appeals."

The salesman specializes to that extent and uses his salesmanship in arousing curiosity, developing interest, creating belief, stimulating desire, and impelling action. But the standard lines he is selling are known to the dealer, and the salesmanship is directed chiefly to problems of turnover and dealer co-operation.

The specialty has many selling points to bring out, and these points require a definite selling procedure. The prospect is not familiar with the product, so it must be explained and demonstrated. It may be something very unusual that offers unique talking points and presentation. In any case, the procedure is that of a distinct selling process.

Every such product holds in itself talking points which give the opportunity for a sale. There are almost endless selling points in any good proposition. Many features or advantages may need to be presented, any one of which would be a reason why the prospect should buy. It may be a course of instruction, a piano, phonograph, real estate, stock, automobile, or a new filing device. The qualities, characteristics and advantages must be set forth as the basis of a sale.

The specialty salesman has a deep interest in the salesmanship required by his line. He is interested in actually selling and not in mere order-taking. His work is a pleasure to him because it affords the opportunity of carrying his prospect from curiosity to favorable action. He is in salesmanship, not simply because he can sell and can realize a good income, but because of what salesmanship is and requires.

Let us assume that a salesman of this type is qualified to sell the staple as well as the specialty. The latter will

attract him because it appeals to his interest in using the principles of salesmanship as he ordinarily cannot use them in selling the staple product. Let us follow the ordinary staple salesman into the merchant's place of business with his regular line of goods. "What can I do for you, today, Mr. Jones? I see you are running low on canned goods. You found that new brand of corn had a quick turnover, didn't you?"

We listen to the specialty salesman present his proposition. It is a very different affair. Every moment there is a new talking point and a new appeal. He is at grips with another mind and experiences a real zest in interesting, influencing, convincing, and stimulating it. Each prospect is a new type of individual, and a different twist is given to the selling process in getting at the new point of view. Thus we have a distinguishing difference between staple and specialty lines of selling. The only place where the wholesale salesman is called upon to exercise equal skill in salesmanship is in opening up a new account, and there are enough opportunities in that direction to keep the wide awake salesman from growing stale in the use of his selling knowledge and ability.

Remuneration

Call to mind the income of the average retail salesman behind the counter and compare it with the income the specialty salesman may earn. The salary of the former may or may not depend upon the amount he sells. He may be required to sell a certain amount to hold his job, and he may receive additional pay if he exceeds that amount. But his remuneration at the best is limited.

Specialty selling also has an advantage over wholesale selling. The wholesale salesman has a salary and often a

commission, but, because his house in a sense guarantees his living, it does not always make the commission as large as in specialty lines, determined largely by a closer selling price and smaller margin of profit.

When a wholesale salesman is working on a straight salary with expenses advanced, and is carried over dull seasons without loss of earnings, the average house can pay him no more than a fair and just percentage of the profits of sales. He is paid for twelve months, but his income is not necessarily as large an amount as he would be able to earn as a specialty salesman. The protection given the wholesale salesman by the house must be paid for, to a certain extent, by decreased earnings. Because the specialty salesman helps to share his firm's burden, his earnings are often larger, and his value to his firm is determined by the amount of sales and corresponding profits that he makes.

It is a common thing for the specialty salesman to stand in his own light in demanding a salary instead of a commission. It often indicates that he has not much confidence in himself as a salesman, and that he is "playing safe." If he is granted this concession by the house, in most cases, he sticks for about a month, the territory is poorly covered, and he is off the force.

A salesman attracted by a proposition said to the sales manager, "I will be glad to sell that if you will pay me a salary." The sales manager asked him, "Why do you want a salary? Don't you know that your commissions would be larger than a salary?" To this question he replied, "The salary is definite, and I will know what I can count on." The salesman should appreciate the force of the statement of the sales manager to that man:

"Look at this thing intelligently. If we paid you a salary, you would have to earn it, and if you can earn a salary you can earn still larger commissions. Paying you a salary does not guarantee anything in the end for you or for us. We know the selling power of our proposition and can prove it by the sales of our men. If you can sell it, you don't want a salary, because your commissions will be greater; if you cannot sell it we don't want you, and we don't want to lose the money we would pay as salary. If you know you are as good a salesman as any average man on our force, here is your chance to do as well as they are doing."

The income of the specialty salesman depends upon himself. He makes his own hours. Here is Charley, who makes a business of selling. He believes in putting in full time and getting for his house all the sales he can make. He sees his first prospect for the day as early as propriety permits and keeps going all day. When he can see a prospect to better advantage in the evening he is willing to do so. That kind of work spells success and a good income, assuming that he knows how to sell.

Here is Henry, who does not believe in working more than is necessary. He takes his time about getting out in the morning. If he gets in about four hours a day he thinks he is doing well. If the weather looks threatening he will stay in to see if it is going to rain; if it is sprinkling he stays in until it clears up. If he has a run of success in the morning, he will call it a day and have a good time in the afternoon. He does not believe in doing business in the evening.

These men realize just what they work for. The one works for a big income, the other for an easy time.

QUALIFICATIONS FOR SPECIALTY SELLING

We have already treated one of the qualifications for specialty selling in another connection, i. e., the ability to judge the type and characteristics of the customer, or what was spoken of as a correct snap judgment.

If the salesman is incapable of doing this he will sell entirely by the proposition and without any special regard to the prospect. In other words, he will sell every prospect in the same way. Here and there his method of procedure will fit a case, but the next person will belong to a wholly different class. Hence the supreme importance of being able to determine the character of the prospect so as to adapt the presentation of the proposition to his needs and peculiarities.

Knowledge of the Goods

If the salesman knows the goods and does not form a correct judgment of the prospect, he will not be able to make the most effective application of the proposition. On the other hand, if he knows the prospect and does not know his goods there will be nothing to apply. He cannot apply what he does not know. In no proper sense will the proposition and the prospect be brought together.

"My trouble," says Bill to Tom, "is to keep from saying too much about the goods. I get into the thing and the first thing I know I am covering every detail. How do you keep from saying too much?" "By not knowing too much about the goods," says Tom. "If I do not know much about the proposition, I will not talk too much about it."

Both are dead wrong. You cannot know too much about the goods, but you can tell too much. Bill is using bad sales-

manship in not knowing how to use his knowledge; Tom is using bad salesmanship by not having the knowledge to impart.

When Tom is required to give definite facts he must either confess that he does not know or start guessing and bluffing. Unexpected questions will come up that will knock Bill off his feet, and then the jig is up. The man who does not know is always fearful that embarrassing questions will be asked. Fear kills confidence and destroys the assurance that a salesman should always express. He is eternally side-stepping, and in getting out of the way of one pitfall he tumbles into another.

You are not qualified to sell until you know the goods.

Faith in Your Ability

Thus, besides knowing the customer there are two things to know: the goods and your ability to sell them.

You cannot carry doubt into a sale and create faith in the mind of the prospect. You are not likely to do more than you believe you can do. If your faith in your ability is small, your selling will show it. It will hold you down to its own level and you will register that unbelief at every point.

Have faith in your own ability, and then go at it like a man, conscious of your selling power.

Put to yourself several questions:

1. Do I know the selling points of this proposition?
2. Do I know the order in which they should be used?
3. Can I prove the claims I make?
4. Do I know the appeals to be employed?
5. Do I have in mind the suggestions that are most effective?

6. If I can say "yes" to all of these questions, is there any earthly reason why I should not be able to sell this proposition?

Qualified by Courage

You will not get far if you are lacking in courage, especially in the early period of your selling experience. Courage, like other things, grows by exercising it.

Getting courage is a sure way of getting rid of fear. It takes courage to do the thing of which you are afraid. The question is, which is going to dominate you, fear or courage?

"Have you seen the superintendent of that establishment which you are working, John?" asked the sales manager. "Not yet, I have been among the factory hands." He is told to "land" the superintendent in order to secure the benefit of his influence in dealing with the others.

Two days afterwards: "How did you get along with the superintendent, John?" John is in a blue funk. "I haven't seen him yet. To be perfectly frank about it, I wish you would see him. You can sell him much better than I can. It is necessary that we get his interest and good will even if he is not sold, and I am afraid to tackle him."

Did you ever do anything like that—ever pass the buck in that kind of a situation to the sales manager, or to some other salesman in whom you had greater confidence than you had in yourself?

Have such confidence in your proposition and in your ability to sell it that you will be able to go into a store, office, home, or factory and sell the buyer, manager, superintendent, or head of the house.

Aggressiveness

The reason why a great general wins so many victories is because of his keen perception of the situation and his quickness of action in striking at the opportune moment.

The specialty salesman needs just such qualities. You may be of a retiring disposition. You are not indolent, but quite the contrary. You lack aggressiveness. It is easy for you to keep out of the thick of things and get by yourself and work in a quieter and more obscure way.

You must break up that tendency; it will grow on you. Come out of your retirement; get into the forefront, on the firing line. Be a leader, not a recluse. Hermits are not in great demand just now. When your day's work is done you seek the privacy of your room, or keep to yourself. Get out among people. Take an interest in the local affairs of the community; get into what is going on. Get into big business; set a large task for yourself and compel yourself to perform it to the last item. Have a program that will test every ounce of your ability and working power.

This is a man's job. Go at it aggressively and with self assertiveness. Act as if the success of the entire enterprise depended wholly upon you.

Training and Development

You need certain qualifications for specialty selling, but, on the other hand, this line of selling increases your qualifications. It brings you into close touch with men and develops your personality. In the clash of minds you must hold your own. The variety of people you meet broadens your life and your outlook and gives you a new point of view. You acquire self possession and self-control.

"Do you see that upstanding fellow over there with the commanding appearance?" asked the sales manager. "When he began to sell he was so timid that we thought we would have to carry him to the prospect and hold him up while he made the sale. We believed he had the 'stuff' in him. Well, he did and his work developed it. It has made a man and an expert salesman of him. Today he could carry that poise into the White House and sell the President of the United States."

Bring your best to your work, and in turn your work will make the very best of what you bring.

SUGGESTIVE QUESTIONS

One of the prominent figures in financial circles in this country declared that the thing that secured for him his first great promotion was that the head of the banking establishment had noticed his THOROUGHNESS. You cannot "cash in" on carelessness and superficiality. They are a drug on the market.

I. Opportunities in specialty selling.

1. The greatness of the field is in the variety and range of its products. What mistake may the salesman make regarding a small commodity?
2. What opportunities does the specialty salesman have in getting into business for himself?
3. As a student of human nature what seven things must be noted by this salesman?

II. Specialty and wholesale selling compared.

1. Which has to meet the greater competition?

2. On which side lies advantage in the matter of prospects, selling points and remuneration?

III. Qualifications for specialty selling.

1. He must know the goods. What mistaken notion did Tom have about knowing the goods?
2. How does faith in your ability rank with other qualifications?
3. What was given as an example of lack of courage? What two things should fortify the salesman with sufficient courage?
4. Can the obscure, retiring salesman be a leader? How can that condition be broken up?
5. What happened to the timid man who finally feared no man?

PRACTICAL TALKS SERIES

INDUSTRIOUSNESS

PRACTICAL TALKS SERIES

INDUSTRIOUSNESS

"All work and no play makes Jack a dull boy."

Grant it, but all play and no work makes Jack a bad boy.

Where did you ever get the notion that if there had been no sin no one would have had to work? You certainly never got it out of the Bible. Adam was required to roll up his sleeves and go to work on the Garden of Eden before he and Eve fell. Read it for yourself.

It is just as certain you never got that notion from our native, normal, human instincts.

Man acts according to nature when he works; he acts according to a perverted nature when he loafs.

Work is either a joy or you are a hopeless bum.

Industriousness is a lot more than simply working to earn a living. If that was all it meant then it would follow that if there was no further occasion to earn a living, there would be no more occasion to work.

The pity is, that that is the way a lot of young simps look at it. If anything happened to their fortune most of them would be in the poorhouse.

Hubbard changed the wording, but not the sense, of the Lord's Prayer in one passage: "Give us this day our daily work and we will earn our daily bread."

"Idleness is emptiness," says Ballou; "the tree in which the sap is stagnant, remains fruitless." Even a sap-head should see that.

Why is it that so many salesmen work so few hours a day? Because they look upon work as the means of a livelihood, and a lot of them are too unambitious to get even that out of it.

Many men enter salesmanship so they can control their working hours. If they worked for any other person they would stall every chance they got.

Charlie and Bill are salesmen of different characteristics and abilities. Let us assume that I am their sales manager. Charlie is an expert salesman and can turn in a lot more orders than Bill; but he puts in only one-half of his time. Bill is a man of much less ability, but a hard worker, a plodder, a planner and puts in a full day. Even at that his sales are below those of Charlie.

If I had to choose between these two men I would cotton to Bill. What, you say, and lose that many sales? Yes. Charlie wastes his time. A man who will waste time will waste other things. A loafer must do something with his time, and when a loafer uses it he will ordinarily abuse it. In a short time Charlie will fall below his record, become careless, act dishonestly and wreck his future.

Bill is kept straight, level-headed and ambitious by the stimulating and moral effect of work. Every day it points him to a future, not a circus or race-track.

A man who steals from himself the golden hours of industry is robbing himself of strength, steadiness, sobriety, character, manhood and opportunity.

Invariably a thief is caught. When is this thief caught? When no one wants him. Then what?

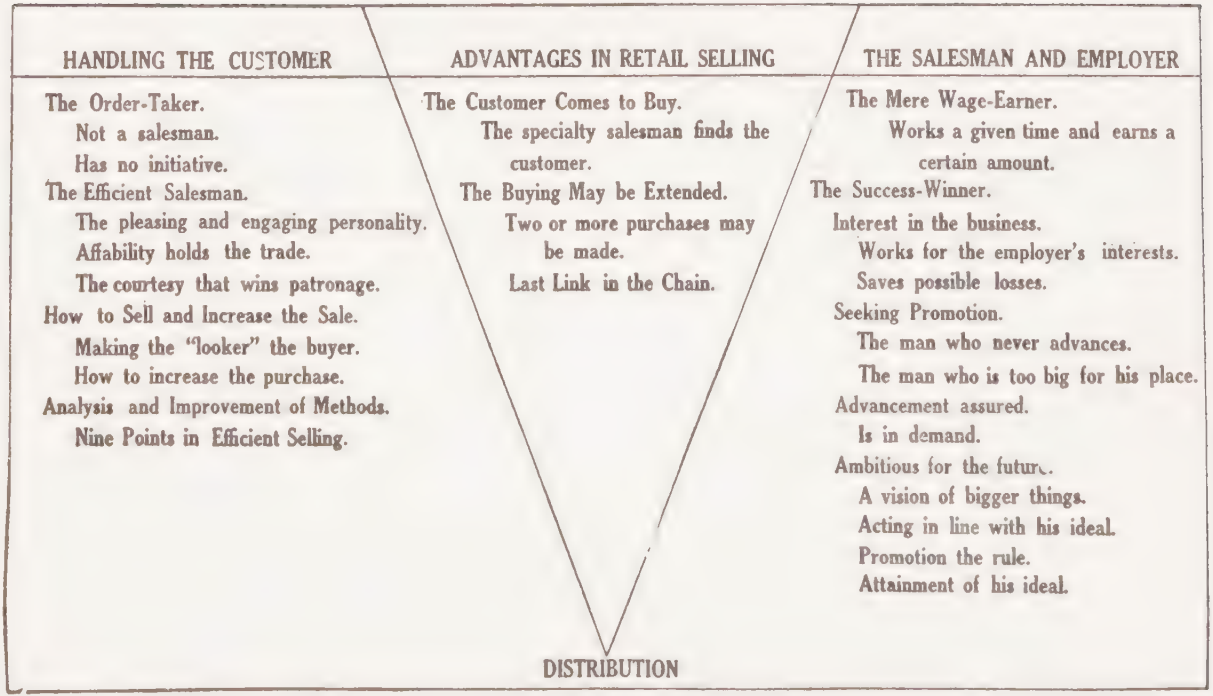
SELF-QUIZ

1. Do I know the advantages of the specialty salesman over that of the wholesale salesman?
2. Do I realize that in specialty selling I control my own time and territory and that my success is determined by my energy and perseverance?
3. Do I do my best at all times and under all conditions, regardless of how often I must call upon the trade for recognition of my goods?
4. Am I training myself to form a correct snap judgment of my customer—an attainment which is so necessary in specialty selling?
5. Do I understand in what way my capabilities will fit me for specialty selling, and do I know the line which I prefer?
6. Do I know the qualifications for specialty selling?
7. Have I analyzed my territory as to the need of my specialty?
8. Do I have faith in my ability to sell this specialty?
9. Do I have the courage and aggressiveness to make a success in selling my proposition?
10. Am I putting my best abilities into my work in order that I may get the best results out of it?

SECTION IV

THE RETAIL SALESMAN

THE RETAIL SALESMAN


HANDLING THE CUSTOMER
The Order-Taker.
Not a salesman.
Has no initiative.
The Efficient Salesman.
The pleasing and engaging personality.
Affability holds the trade.
The courtesy that wins patronage.
How to Sell and Increase the Sale.
Making the "looker" the buyer.
How to increase the purchase.
Analysis and Improvement of Methods.
Nine Points in Efficient Selling.
ADVANTAGES IN RETAIL SELLING
The Customer Comes to Buy.
The specialty salesman finds the customer.
The Buying May be Extended.
Two or more purchases may be made.
Last Link in the Chain.
THE SALESMAN AND EMPLOYER
The Mere Wage-Earner.
Works a given time and earns a certain amount.
The Success-Winner.
Interest in the business.
Works for the employer's interests.
Saves possible losses.
Seeking Promotion.
The man who never advances.
The man who is too big for his place.
Advancement assured.
Is in demand.
Ambitious for the future.
A vision of bigger things.
Acting in line with his ideal.
Promotion the rule.
Attainment of his ideal.
DISTRIBUTION

SECTION IV

THE RETAIL SALESMAN

WE HAVE reached the last link in the chain extending from the producer to the consumer. The salesman is the connecting link from the producer to the manufacturer, from the manufacturer to the wholesaler, from the wholesaler to the merchant, and from the merchant to the consumer.

We have traced the activities and methods of the salesman in handling the staple line and the specialty proposition. It remains for us to consider the man who stands behind the counter and deals directly with the consumer.

We have already seen that selling the consumer is the final aim in production, manufacturing, and wholesale selling. The testing of the finished product is in the hands of the merchant who brings it to the buying public. Its merits and salability will now be determined. The customer is the court of highest appeal in passing judgment upon what has been sold thus far all down the line.

As yet, the product has not really been sold. It is not sold until finally purchased by the public. If the consumer does not want it that ends its production. If there is no demand for it there will be no further supply. The consumer will decide whether or not it will be manufactured, whether the company making it will do business or go out of business.

The merchant buys the goods and it is up to the retail salesman to sell them. He is the last channel through which they pass to get to the consumer. At this point the process of selling and buying, as it has been proceeding from one

to another, ceases. The product for the last time is passing through the hands of a salesman. Hence the importance that attaches to the salesmanship of the retail salesman.

ADVANTAGES IN RETAIL SELLING

Some of the advantages in retail selling have already been noted in the comparisons that have been made in dealing with the staple and specialty salesman.

The Customer Comes to Buy

The word "comes" is significant. It at once indicates one outstanding peculiarity of retail selling. This salesman is not required to hunt up his prospects as do the other two classes of salesmen. He stands behind his counter ready to do business, but the trade comes to him.

The merchant is the consumer's convenience for supplying his needs. It is the best and most convenient way of having these needs met. The goods are at hand for his examination.

The customer comes in response to advertising or because he needs the goods, and he comes to buy. Whether the specialty salesman will be able to sell his prospect depends upon his ability to make the prospect realize that he needs the goods. He goes to the prospect. The latter, thus approached, may not want the goods, has no thought of buying anything of the kind and does not feel any need of it. This salesman has his work cut out for him. He must bring the prospect from indifference to enthusiasm and desire.

The retail salesman has no such experience. When the customer comes into the store he engages the salesman's attention by telling him his wants. The situation is exactly reversed. He, and not the salesman, takes the initi

ative. This is one of the advantages of retail selling—the customer comes to buy.

The Buying May Be Extended

The prospect may have no intention of buying more than one article and yet may purchase several. Other things attract the eye, especially if displayed in such a way as to get favorable attention.

A customer is buying a piece of dress goods; another piece of cloth nearby suggests something else, or calls to mind the thing for which that particular piece is needed. She sees gloves, ribbons, and many other kinds of goods, and before she leaves she has placed a good-sized order.

You go into a store for the sole purpose of buying collars, but you see a very attractive necktie selling at a reasonable price. The likelihood is you will make at least two purchases, and with a little encouragement on the part of the salesman you may lay in a supply of other needed articles.

Aside from personal salesmanship and other factors entering into selling, the goods themselves carry a buying appeal. The situation is somewhat the same when the dealer is looking over the samples of the staple salesman. A certain thing makes a special appeal. There is a difference, however; in his case he believes it will be a good seller; in the case of the customer she knows she wants the gloves and has use for them.

These, then, are two advantages in retail selling: the customer comes to buy, and the buying may be extended beyond the original purpose.

HANDLING THE CUSTOMER

There are as many types of retail salesmen as there are types of specialty salesmen. There is a right and wrong way of doing things in this field as in any other. There is the attractive personality and the reverse; the courteous and the discourteous salesman; the efficient and the blundering salesman; the success and the downright failure; the sales person who will attract you back and the one who will drive you away. You have met all of these types in your shopping.

The Order-Taker

In nearly every store you will find the order-taker—the salesman who is that and nothing more. He is supposed to be a salesman, but is nothing of the kind. He or she is over-paid.

He will sell you just what you want, if you know what you want. He will sell you what you ask for, *if he has it.* He will sell you the amount you want, if you know the amount. He will sell you the quality of goods you want, if you can distinguish between qualities and can tell what suits you.

A customer wants some cloth goods. "Will these colors run?" she asks. "I really don't know," says the order-taker. She is afraid they will. "Let me see that bolt. Will that color stand up?" He makes a pretense of examining it, and says, "I presume so, it ought to; don't you think it will?" By that time she is disgusted. "I am buying the goods," she says, "not selling them, and I must be sure of what I am buying. I will look elsewhere."

An extreme case? By no means; it happens constantly. That order-taker knows nothing about his goods and

nothing about salesmanship. And what is worse, he cares little or nothing about either.

Here is a very common form of the order-taker's blundering. You ask for a certain article. "We do not carry that." You wait a moment, he is at the end of his rope as a salesman, the incident is closed, and you walk out.

That sales person knows nothing about handling customers; all he handles is *orders*. If you give him a definite order, and he can fill it, he knows what to do with it. If you order what he does not carry, there is nothing more he can do; he is simply an order-taker. The store probably carries other things just as good, and perhaps better, but the customer did not order any of them. A boy at half the pay or less could take the orders just as well.

This clerk does not seem to know that a customer does not like to go from store to store looking for an article. She does not like to be required to say, "Well, if you do not have that what do you have of a similar nature?" And this clerk does not seem to know that no retail salesman allows a customer to leave the store empty-handed if he can help it. Stores are full of this class of clerks who know about as much about salesmanship as a rabbit knows about arithmetic. The only thing in which they are a positive success is in driving trade away from the store. The other stores could afford to pay this store a salary for the trade that its untrained sales people send them.

The Efficient Salesman

We have already noted certain things required of the specialty salesman that have little or no place in retail selling. The pre-approach is one of those things. Retail selling does not afford the salesman the same opportunity of studying in advance the needs of the various customers,

and there is not the same necessity for doing so. But there are important qualities to be developed in becoming an efficient salesman in this field of selling, as is true of the staple and specialty salesman.

In a sense, too, a preapproach is essential in retail selling. The goods must be arranged in an orderly and attractive manner before the customer calls. The salesman must know where to find his goods. After a customer leaves he must put things back where they belong and get ready for the next. He must think ahead and plan what to do in emergencies.

Of the four things to be sold in selling anything the first is that of the salesman selling himself to the customer. We have given considerable attention to the personal qualities of the salesman that create a favorable impression. You are drawn instinctively to a pleasing personality, and repelled by qualities of an opposite nature.

When a salesman approaches you in a refined and courteous manner, expressing a real geniality, you yield to it and take on the same attitude. When he approaches you in a short, abrupt manner, you are instinctively tempted to be equally short and to return it with compound interest.

A customer was approached by that type of man who, in his short way asked, "Well, what do you want?" He at once replied, "Something you haven't got." "What's that?" came the question. "A little decent courtesy," and with that statement he walked out of the store.

The efficient salesman, man or woman, knows how to be gracious without being patronizing; how to smile naturally and pleasantly without appearing too familiar or over-doing it. It carries the impression of genuineness.

Affability and the desire to serve, put into the salesman's approach, will draw the customer back to the store. We have noted the mistake sometimes made by the specialty salesman who acts in a disgruntled manner when he fails to land the order. You expected to hear the door go shut with a bang when he left.

The same thing occurs with that type of retail salesman. You cannot find among his goods what you want; the smile with which he greeted you comes off, a frown takes its place, and when you leave there is no cheerful "Come back again." You will be likely to remember the manufactured smile and the frosty frown and not come within range of either again.

The retail salesman's approach must be the right brand. The customer comes to buy, which fact makes it a vastly easier thing for that salesman than is the approach of the salesman who comes to the prospect. But the approach must be right. It must have the right kind of business courtesy, interest and warmth. There is a certain confidence with which he must inspire you, and an attractiveness of manner with which he must draw you.

In the stores in England it is the rule for the clerk to say, "Thank you," whether you do or do not make a purchase. You may take up considerable time and give the salesman quite a little trouble in trying to serve you, but when you leave he does not fail to say, "Thank you," even though you do not buy. The same courtesy is shown by conductors collecting fares on a street car.

You have frequently made purchases in stores and had the salesman say in such a genuine manner, "Thank you very much," that it brought from you as heartily the response, "You're welcome." And you have made other

purchases in connection with which the salesman knew nothing about such common courtesy and seemed to act as if he were doing you a favor to wait on you. Your patronage was no consideration; the salesman's only thought was that you ought to be glad you got what you came for.

How to Sell and Increase the Sales

Casual "lookers" are often made buyers by the competent salesman. Some people have an interest in looking at goods without any special thought of buying them. They handle articles, examine them for a moment, lay them down and take up others. This is a common occurrence. You have done it yourself.

The inefficient salesman sees in this no opportunity for a sale and may even be bored by what appears to him as a listless sort of curiosity. While the "looking" is going on he is inactive as a wooden Indian outside of a cigar store.

To the efficient salesman this is a real opportunity and he uses it. He knows that behind that looking there is a certain interest that may be fanned into a flame, and he is the fan. "That is an excellent tie you are looking at. Note the way it is woven. It is unusual in that it holds its shape and does not crease. It does not require ironing out; it is neat and attractive and wears like iron."

He puts such salesmanship into his talk that the "looker's" attention is arrested, his interest that was before an aimless wandering becomes fixed, then developed into desire, and the sale is made. He is brought to realize that he needs just such a tie.

We glance over to another counter and we see a customer doing the same thing—looking over goods—and the salesman as communicative as a deaf-mute. He has nothing to

say, is rooted to the spot, and talks only when the customer asks a question. He is utterly incapable of making a looker a buyer, and does not know that in every such instance what appears to him as only idle curiosity is a splendid opportunity for a sale.

Efficiency is better appreciated when contrasted with inefficiency. A lady comes to a clerk and wants to look at some cloth. He takes down a bolt. "I want to use this for such and such a purpose," she tells him. "I am not certain whether this would just answer." It must have a certain quality or character. He can give her no help and has nothing to suggest. "Let me see that other bolt," she says. She examines it and may decide between them and take a chance. It is another case of the dumb order-taker whose salesmanship consists of wrapping packages and making change.

The same customer states the case to a real salesman. He sees at once what she wants. "That piece of goods would not answer your purpose. The cloth must not shrink and this would not stand up under that use. Here is another piece which is exactly what you want. Feel the texture of this and compare it with the other." He then shows her the special advantages of the goods to establish confidence in her mind that they are what she is looking for. He may take down other goods to make the case still stronger, and in doing so, indicate incidentally their fine qualities for other things. He will sell her what she came for and may suggest needs along other lines. In any case, when that customer wants to buy cloth goods she will remember the service this salesman rendered her.

When you have become accustomed to using certain things to which you have become attached, like food,

clothing, shoes, drugs, or other merchandise, the salesman has a rather difficult task to sell a different article if he does not carry what you want.

One salesman has but one thing to say, "This is just as good." But that is not convincing, for you know he is anxious to make a sale. The man who knows the goods and how to sell them tells you what are the qualities of the product that you want. He then takes the similar thing he has for sale and tells you all about it and why it answers exactly the same purpose. In other words, he proves to you conclusively that it is just as good, and when you find it to be the case you will go back to him for more.

A smoker used a certain tobacco not sold in all tobacco stores. He called for it in one store. The clerk said they did not carry it. He looked around for a moment, and when nothing more was said, he left. The same thing was repeated in another store, and then a third. In the fourth store the clerk, who had some selling sense, said, "Let me show you something. We do not carry that brand, but I can make you up something that will win you completely away from it. I have here three kinds of tobacco. All you have to do is to mix them in equal quantities and you have a flavor and fragrance that cannot be beat. Some of my best customers use this mixture."

He sold him, but the customer had to go to four places to find one man who knew enough about his business and had enough selling ability to make a sale.

Some salesmen can sell the customer the particular thing he wants but cannot take the initiative to sell him more. Some salesmen, again, attempt the latter, but the way they go at it only bores and irritates the customer.

It was a rainy day when a man came into a store for an umbrella. The salesman sold him and said, "That will keep you fairly dry and save your hat, and you need it, but this raincoat is what you want for this rain that is coming down in a slanting fashion, or for any hard rain. It is the real thing in looks and wear. Slip it on and get the fit and feel of it." It was the right fit. "There," said the salesman, "you can laugh at the rain, you don't get drenched to the skin and have to sit in the office with wet clothes, and it saves your clothes."

He came in for an umbrella and went out with two purchases. The two things were properly correlated, and the salesman took advantage of the weather.

If you were a clerk in a men's furnishing store, and a man wanted to buy a pair of your suspenders, would you advise him to buy a belt instead?

Analysis and Improvement of Methods

Does your work need supervision? The retail salesman should constantly check up his own selling methods. Here are points by way of summary:

1. Approach the customer in such a way so as to make him appreciate it, and do not allow yourself to become awkward and constrained when serving him.
2. Avoid being too effusive in approaching customers and in selling them, and realize that that is about as bad as the opposite attitude.
3. Make yourself so agreeable to customers that they will call for you on their return trip to your store.
4. Explain the nature of the goods in such a way as to be helpful to your customer in his buying.
5. Create a feeling of confidence so that the customer will be willing to rely upon your judgment.

6. Serve your customer in such a way as to make him certain of what goods he is to purchase.
7. Prove the merits of other goods if you do not have exactly what your customer is desirous of purchasing.
8. Take the initiative when your customer comes in and bring to his attention other articles which he is likely to need.
9. Make buyers out of lookers. Be alert and interested. wooden Indians do not make any sales.

If the retail salesman will analyze himself on the basis of these and other points, and go at himself seriously and conscientiously, he will be in a fair way to improve his methods. Examine yourself carefully, and see how much supervision your salesmanship requires.

THE SALESMAN AND EMPLOYER

Sales people differ as much in their attitude toward their employer as they do in their treatment of customers. All the things we have thus far considered are of direct concern to the employer, but it is from this angle specifically that we now consider the matter.

The Mere Wage-Earner

The typical wage-earner lives within a narrow circle. He works the required number of hours each day. He is there on time and leaves when the time is up. He is paid so much money and does so much work.

When customers come in he serves them. He sells them whatever they want to buy, wraps up the goods and sees that they are delivered, if such is the case. The customer may not buy; he contends that is not his fault. He is there to wait on them if they want to buy. They may buy. That

is all right. If they want to buy that is for them to determine. If it falls on him to wait on such a customer, he will wait on him, sell him what he wants and treat him honestly.

This man gets his pay on Saturday night and he is carefree until Monday morning. He is through each day when the working hours have ended. He spends his evenings as he pleases, and forgets the store and the employer until next morning. He puts in so much time, does so much work, and receives so much pay. He is simply the wage-earner. He has reached the limit of his earning power.

The Success Winner

The success-winner is an entirely different type of man. He is characterized by traits we do not find in the mere wage-earner. Both men may be employed behind the same counter.

Interest in the Business

The success-winner does not count the hours. If the good of the business requires him to be there before opening time, he is there. If it is necessary to stay after hours, he does so. His employer's interest is his interest.

He has a sense of responsibility for the success of the business. It is not a matter of indifference with him whether the customer does or does not buy. He puts the same salesmanship to work in every instance as if the business belonged to him and looks upon the loss of a sale as a serious matter, in fact, as being the possible loss of a customer.

He treats every customer as if the prosperity of the store depended upon that sale. He sells the customer and says, "Mrs. Brown, I want to show you a special line of goods we have just stocked. You may not care to purchase any

just now, but the need may arise in the near future and I want you to know what they are and where you can secure them."

The mere wage-earner does not go out of his way to show stock and drum up more or future trade. "How would my employer act in my place if he acted in line with his best interests?" is the question this success-winner asks himself. He represents his employer and must act as if the business were his own.

He will do more than that. His employer may be lacking in good business methods. He may run in a prudent buyer. He may be lax in business management. There may be "leaks" from which his business is suffering. He may be unwise in giving credit.

This salesman is really concerned about anything that is not contributing to the success of the business. He believes in complete success and nothing less than that.

"Mr. Jones," he says, "don't you think we ought to get a turnover on those goods that have been on the shelves for some time now?" Jones does not see what else can be done. "They are where people can see them, and we have talked them up and tried to sell them," he says. "I have a little scheme I would like to try out. If it works we will empty the shelves; if not, well, we will try another; but you must get your money that is tied up in those goods, Mr. Jones."

And what about Jones? He begins to realize he has a jewel of a salesman. "He certainly stopped that 'leak' last week, and I notice that customers go straight to his counter even when I am not engaged. He is holding my trade and increasing my business. Where I have stopped thinking in certain matters is just where he has started to think, and

I am going to make it worth his while to render such service."

Seeking Promotion

Some men never get beyond the starting point. They do not even start right. They have no ideals to begin with. They are satisfied to get a job, do a certain amount of work, and get their pay. As long as they remain in that attitude of mind they get no higher, and some of them camp out in that mental attitude for a long time. They are men who have never advanced a step in their line of work for fifty years. They never had a vision, and at seventy years of age are doing the work of an ordinary man at twenty-five years of age.

Our salesman who is helping Jones, his employer, has no intention of staying where he is. He is going to make his present position too small for him. His surroundings are becoming cramped; he is equal to bigger things. He is in a good establishment and it offers room for growth and promotion.

At last it comes. It is at the end of the month. Jones calls him into his office and says, "George, I want to terminate your present relations with me tonight. Tomorrow is the first of the month, and I want you from now on to act in the capacity of general manager. I have been watching you, George; you take an interest in the business as if it were your own. You made and saved me money. You have fine business ideas. It makes no difference whether I paid you your present salary or a smaller salary, you would do just what you are doing. Your eye is not on the clock but on the business. You know how to buy goods as well as to sell them. You are to manage this business, George, from cellar to garret, at double your present salary."

Ambitions for the Future

What is the secret of this salesman's success? Several things. There is one dominant trait in that man's character—he has a sound ambition. He has a vision of the future—in business for himself, the head of a great establishment.

He realized how much lay between the moment of his vision and the realization of it, and he is determined to climb the ladder and place his feet on every round of it. It means the finest kind of salesmanship in serving the trade; it means doing everything, little and big, that will contribute to the prosperity of the business; it means that he must act in all things as if the business were his own and depended solely upon his fidelity, honesty, and efficiency.

This salesman spends his spare hours in the evenings on self-improvement. He is pursuing a course in salesmanship. He has sense enough to know that the salesman is made, not born. He studies every phase of business science. He is well up on the market, reads carefully the trade journals, and studies the local interests. Why is it their competitor, Brown, is doing such a fine business? One reason is, he discovers, because he stops leaks and wasteful overhead and turns that much more money back into the business.

Such a salesman cannot fail to win success. He is promoted from one position to another, and at last comes to the management of the business. And then what? He will either be taken in as a partner, or he will have a business of his own.

Where is the mere wage earner? Just where he always was, just where he started. There is no trouble finding

him. But you would have difficulty keeping track of George. He is not in the same position for a great length of time. He simply compels promotion, and in each new position he is worth that much more to the firm—and *that much more to himself and his future.*

SUGGESTIVE QUESTIONS

There is a right and wrong way of doing anything. The wrong way may seem to be the easier way, but wrong is never right and the end of that way is failure and loss.

I. Advantages in retail selling.

1. In what particular respect does this form of selling differ from specialty selling?
2. How may the buying be extended?

II. Handling the Customer.

1. What is wrong with the order taker?
2. What is a vital characteristic of the efficient retail salesman?
3. How is a "looker" made a buyer?
4. The four tobacco salesmen represented two classes of retail salesmen. How would you name them?
5. Note carefully the nine points in checking up your retail selling.

III. The salesman and employer.

1. In what is the mere wage-earner especially interested?

2. How does the success-winner express his responsibility for the prosperity of the business?
3. Trace the steps by which George was promoted to the management of the business.

SELF-QUIZ

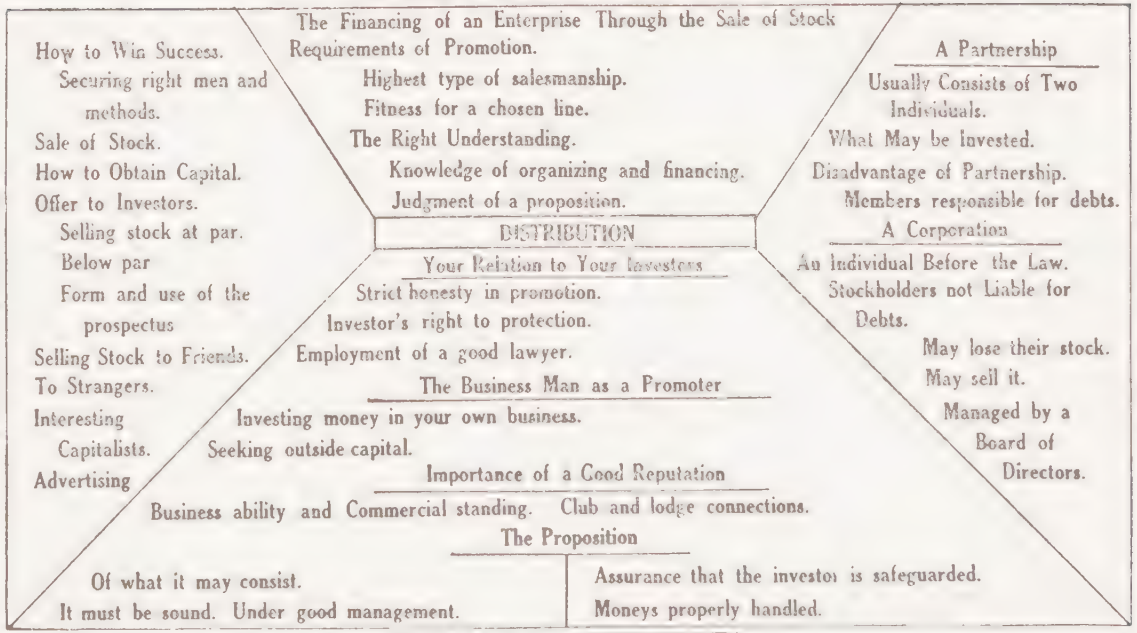
1. Do I acquaint myself with the problems of the retailer in order to seek ways and means of solving them?
2. Do I understand the difference between an order-taker and a retail salesman?
3. Do I make suggestions for fulfilling the needs of my customer in order to make more sales?
4. Do I take a personal interest in the needs and wants of each customer who comes to my department?
5. Do I know of the opportunities for advancement in efficient retail selling?
6. Do I realize that a thorough knowledge of my line will help me make more sales?
7. Do I show by my actions that pleasing a customer is a pleasure instead of a drudgery?
8. Do I cause my customer to call for my services on his return visits to my department?
9. Do I take the initiative with my customers and find ways and means by which they may be induced to buy more goods?
10. Do I [illegible] so that I can better represent my employer when making sales?

SECTION V

THE PROMOTION FIELD

THE PROMOTION FIELD

ANALYSIS OF PROMOTION SALESMANSHIP


PROMOTION PROCEDURE
100
How to Win Success.
Securing right men and methods.
Sale of Stock.
How to Obtain Capital.
Offer to Investors.
Selling stock at par.
Below par
Form and use of the prospectus
Selling Stock to Friends.
To Strangers.
Interesting Capitalists.
Advertising
The Financing of an Enterprise Through the Sale of Stock
Requirements of Promotion.
Highest type of salesmanship.
Fitness for a chosen line.
The Right Understanding.
Knowledge of organizing and financing.
Judgment of a proposition.
DISTRIBUTION
Your Relation to Your Investors
Strict honesty in promotion.
Investor's right to protection.
Employment of a good lawyer.
The Business Man as a Promoter
Investing money in your own business.
Seeking outside capital.
Importance of a Good Reputation
Business ability and Commercial standing. Club and lodge connections.
The Proposition
Of what it may consist.
It must be sound. Under good management.
Assurance that the investor is safeguarded.
Moneys properly handled.
A Partnership
Usually Consists of Two Individuals.
What May be Invested.
Disadvantage of Partnership.
Members responsible for debts.
A Corporation
An Individual Before the Law.
Stockholders not Liable for Debts.
May lose their stock.
May sell it.
Managed by a Board of Directors.
BUSINESS ORGANIZATION

THE PROMOTER'S RESPONSIBILITY

SECTION V

THE PROMOTION FIELD

ANALYSIS OF PROMOTION SALESMANSHIP

AS A term in salesmanship, promotion means the financing of an enterprise through the sale of a certain interest in the company or of a portion of the capital stock. A manufacturer, wholesaler, jobber, or retailer may wish to engage in business for the manufacture or sale of commodities, and possessing the necessary ability and experience, but lacking the needed capital, he calls upon a promotional man or firm to help him organize a company and sell stock.

A stock interest represents a proportionate share in the earnings of the company.

A new business may be promoted by selling shares of stock either at par or lower than par. Those who purchase below par, at the beginning of the enterprise, assume the greater risk, and the promoter uses the inducement of the lower price to offset this risk. The purpose of the promoter is to sell enough stock to develop the business and get it on a paying basis.

The promoter, who in many cases is also the organizer and executive of the business, must receive compensation for his services, and this is paid him in stock or in cash received from the sale of the stock. The promoter, as a rule, gets a good fee for his services, as he is an important element in getting the business going.

Requirements of Promotion

Promotion is the highest type of salesmanship. The fact that the promoter deals with thousands or tens of thou-

sands, and in some cases, even millions of dollars, makes this field of salesmanship a hard one, but especially attractive to the organizing, executive type of salesman.

To succeed, a promotor must use care in choosing his line and in fitting himself to his business in much the same way as the wholesale or specialty salesman. He will also see to it that he chooses a line that appeals to him and that enables him to give permanent satisfaction to those whom he induces to invest.

It should here be remembered that promotion is undoubtedly the most exacting form of salesmanship, and because of this a salesman must have unusual self confidence and initiative, as well as a strong will and personality to win fame and fortune in it.

The Right Understanding

As a salesman and a future executive, it is quite possible that you will sooner or later want to organize, finance, and promote your own business. When you are required to do this, you will want to know the how and the why of promotion. In this lesson we are outlining in a practical manner the facts you need to know about the organizing and financing of a business.

It is very important that every business man know, at least in a general way, the responsibilities and qualifications of a promoter. By learning to investigate a business proposition from the viewpoint of the investor, you will be able to present the attractive features in an able and convincing manner. By using sound judgment in organizing your business, you can gain the support of others and thereby insure its permanency.

To succeed as a promoter you should have a good reputation and a strong personality. Initiative, good judgment, courage, and the ability to persuade shrewd business men to join hands with you are all important.

You can readily see that success in this field of salesmanship is the result of much business experience and a high order of intelligence. The most successful promoter is a good judge of a business proposition, a practical reader of human nature, a persuader of no mean ability, and an excellent all-around business man.

BUSINESS ORGANIZATION

What is a Partnership?

When two or more men enter into an agreement to run a business and share the profits of that business, they are legal partners. The usual partnership consists of only two individuals. In some cases of this kind one partner invests the capital and the other man furnishes the brains or the inventive ability.

It is not necessary that the profits be divided equally or that there be equal ownership in the business. However, to make a legal partnership, there must be an understanding or an agreement that there will be a division of profits.

From this it will be seen that you might own nine-tenths of a business and your partner one-tenth and still be recognized as full partners by the laws of your state.

One of the disadvantages of a partnership is that the members of it are each liable for all the debts of the enterprise. For instance, suppose you are a silent partner and own one-tenth of a partnership; and the man with whom you are in business absconds, or fails to make good. It is up to you to foot the entire bill.

Thus you will see that a partnership can be successful only when entered into by men of unusual integrity and whose abilities and capital fit like a bayonet in its scabbard. The modern tendency is to avoid entering partnerships, and the laws of the states have authorized the organization of enterprises under a form which is known as the corporation.

What is a Corporation?

The corporation is an individual before the law just as much as you are. It is treated as a separate personage. It can be fined, and made to pay the fine; it can be sued and made to pay the judgment.

When it is an "invalid" corporation, a "nurse or doctor" (a receiver) is appointed. As the stockholders composing a corporation are not liable for its debts, it is becoming the general method of doing business, and no progressive business man will go into a new line without taking advantage of the protection offered by incorporation.

When a stockholder has paid for his stock, he is free from further responsibility. It is true, however, that he may lose the money he has invested in case the corporation fails. He also has the right to sell his stock or transfer it to another. His death will not affect the permanency of the organization.

A board of directors manages the corporation, so no one person is responsible for the success or failure of the enterprise. As the corporation does not go out of existence with the death of the owners or change the basic methods of conducting its business, it has a permanent basis that invites investment.

Some states favor and encourage corporations. Some are antagonistic. When a corporation is organized, many things are considered by its promoters. What is its capital? How

many directors should manage it? Who shall be the president, the vice-president, the secretary, and the treasurer?

In most cases a limited amount of stock is offered for sale. What this amount is to be is determined by the organizer or promoter. If an organizer desires to retain control of his business, he should incorporate it before interesting capital.

When outside investors put their money in your business they will try to control it, unless they have unusual faith in you; and outside control many times means inefficient control.

THE PROMOTER'S RESPONSIBILITY

Your Relation to Your Investors

As an organizer of a business, you must consider, however, that others who invest money in your business are to be protected as well as you. If you do not promote on a fair and wise basis, you may not be able to influence others to invest their capital with you. Whenever a business man is forced to reorganize his business in order to obtain capital, outsiders will usually get control of it.

It is better to show yourself as a fair and reasonable business man in the beginning and retain control of your organization, as there will hardly be a disposition to disturb you if your judgment has been sound, and your incorporation shows that you have the interest of investors at heart.

A good lawyer should be employed. It is usual to employ a specialist on corporation law when a business of any consequence is to be incorporated, or it appears that the business will grow rapidly in the future. A few dollars spent as fees for a competent legal adviser may save the organization from becoming a wreck at a later date.

Never hesitate to consult a lawyer. If you want to be a first-class business man you will realize that you do not know it all and that the law-trained man can help you.

In fact, it is just as important that you have a lawyer incorporate your business as it is that you have a salesman sell your goods on the road or in your store, or an advertising man to write your ads and form letters, or a bookkeeper to keep your books.

Many of the larger public and private corporations in the United States have salaried lawyers who are constantly looking out for the interests of the business.

The Business Man as Promoter

It may be that you have ample capital or the means of getting it. If such is the case, you will not need to call in a promoter or organizer but will undoubtedly assume your own plans. For the sake of a complete understanding of the duties of a promoter, however, we will assume that you must seek outside capital, and you must induce others to invest their savings in your stock.

You are a promoter in the general sense of the term as soon as you attempt to advance the interests of your business by means of outside capital. Should you attempt to finance another enterprise, you would be a promoter-salesman.

We are presuming, of course, that your business is honest, that you and your present or future employees are competent and can manage your organization successfully; and that you intend to tell the exact truth about your business to the possible investors. When these conditions are satisfactory, your work as a promoter is a benefit to society as a whole.

However, many unscrupulous promoters attempt to obtain and do obtain capital for investment by impossible claims. Such promoters are avoided by business men, because they are unreliable and often incapable of putting an honest business on the market.

Importance of a Good Reputation

In previous lessons we have constantly urged upon you the importance of having a good character, reputation, and a strong personality. Your business ability, your commercial standing, and your present and previous connections are important factors in whatever promotion work you do.

From the requirements we are outlining, you will observe that you must be a man of some consequence before you are likely to succeed in promoting a difficult business. You must be somebody.

You have a better chance to succeed in the promotion field if you have made a success of a business. If you are recognized as a man of sound judgment and good business ability, you are more likely to make good in this harder field.

You cannot blame others for not having faith in you until you have done something that others recognize as worth while and successful. Get as broad an acquaintance as possible.

If you are a club member, it may help you; if you attend a lodge, it will add to your acquaintance; if you belong to an association of commerce, you will find many strong friends that will add to your power.

Get the confidence of your personal and business friends. Then you can get them interested in any legitimate business enterprise you want to finance. Use them for their own

profit and yours. Protect their capital as you would your own.

The Proposition

The proposition that you promote may be either a manufacturing plant, a wholesale house, a mercantile business, a public or private corporation, an invention, a copyright, etc. The necessary element to be considered is whether or not it offers a profit on the money invested by the persons to whom you sell stock.

The enterprise must be sound, under good management, or coming under good management, and enough stock must be sold to furnish adequate financing. As a far-seeing business man you will not connect yourself with a fraudulent scheme and thus endanger your reputation.

Before you ask others to invest their capital, assure yourself that their investments will be safe and that they will in due time get an adequate profit because of their faith in you. You are, in a sense, responsible to them for their money because it is invested on their faith in you.

Even a good business cannot succeed without funds to carry it to the point where it can pay a dividend. It takes money to make money. If you do not have a good supply of common sense, you had better not enter business for yourself or promote the affairs of others.

You naturally know something about the soundness of your own business, but even when you have such technical knowledge it is not unwise to call in an outside technical man to check up your own knowledge and to assure investors of your sincerity in presenting your business for their support. Good management is an essential to the success of every business. Even though a proposition is stable and has known value, if it is improperly managed, it will fail.

Money melts like butter on a hot day, when a man enters business without first becoming a good financier. Money should be under the control of expert accountants or bookkeepers in a small corporation and under a first-class treasurer in a large concern.

THE PROMOTION PROCEDURE

How to Insure Success

Good intentions alone will not bring business success. Such intentions must be backed by ability and hard work to insure progress. It is possible to hire brains with money, however, and it is necessary that you be a good judge of men and demand references as to character and ability and experience and results achieved to make sure that you have the proper executives and employees in your organization.

Hire the right men from the first, and you will not have to fire them later on to save your business from wreck.

It takes a good deal of money to run a large business until it begins to pay dividends. When a business begins to sell its product from the first, it is sometimes able to pay most of its way.

In case of a large corporation, however, it is usually necessary to do considerable educational and development work before dividends begin to materialize.

The far-sighted promoter will not neglect to hire the best salesmen he can secure, and pay each of them a good salary or commission in order that they may quickly put his business on a profitable basis.

It is possible in many cases through efficient selling to get a good start on the road to success soon after the business has been organized and the product is ready to deliver.

Sale of Stock

A far-seeing man will at all times endeavor to build up a reputation for business character and ability that will insure the confidence of his friends and acquaintances and even of strangers in his ability to promote a proposition.

It is not always that the capitalist or investor has the time or knowledge to make a thorough investigation and they therefore depend upon the character and ability of the man who starts the business and the character of his associates.

Investments are made because of the faith of the investors in the business man or the proposition. A man should take every care of his reputation, and not enter into a business enterprise that will reflect discredit upon his judgment, integrity, or ability.

Some of the big promotion schemes have made fortunes for the men who organized and developed them. The railroads of the United States started on small capital and obtained franchises and grants of land and worked out their own salvation with but little capital.

When you promote your own business, you will not get a commission but will become the owner or part owner of your own enterprise. You will undoubtedly be elected president if the organization is a corporation, and in addition to your profits on your work and money invested, get a stipulated salary, according to your importance to the general organization and the success that it attains.

In many cases such a salary runs from ten thousand to as high as hundreds of thousands of dollars each year. Some of our big insurance men and railroad men and business executives draw salaries that are larger than that of the President of the United States.

How to Obtain Capital

It is not an easy matter to secure capital for even a sound proposition, so you should not be discouraged if you meet opposition. Men who have money to invest are not going to entrust it to a stranger. Friends, in whom they have confidence, can influence them. You cannot expect to get favorable attention from a capitalist or investor if you force yourself on his attention.

Inasmuch as we are assuming that you are promoting your own business, and that you have invested all you have or a considerable part of your capital in it, and can enthuse others because of your proved confidence, it will be easier to gain access to outsiders for the additional capital needed to insure its success or quick development.

Under the above conditions, assuming that you have the confidence of your friends and the public, your own statement of the value of your proposition may be sufficient to get you the needed capital.

You can show outsiders what you think of your proposition and convince them by your own earnestness and enthusiasm. Give them reasons why you are going to make money, and how they can get in on the ground floor. They will then be willing to invest what they can and will introduce you to others who will also invest with you.

This endless chain, this personal appeal from one investor to another possible investor, will enable you to finance your business.

Offer to Investors

When the outsider is offered a chance to invest in your business, it must be an opportunity that will attract him and make him want to put his money into your business.

Good profits are important, but safety must also be given consideration.

When an organization has an established basis, the stock is sold at or near par; on the other hand, when it is a more or less speculative venture, it becomes necessary for the organizers to sell below par. The degree of speculation of the enterprise determines the degree of sacrifice that must be made on the stock.

Sometimes preferred stock is sold at par and common stock is given away with it. Of course, dividends are first paid on the preferred stock, and then, when the business gets on a good paying basis, the common stock will also pay dividends.

In a campaign for capital from either large or small investors, it is necessary in most cases to print and distribute a prospectus to possible investors. All the rules of good advertising must be considered in the printing of this prospectus. It must outline your proposition in a salesman-like manner.

Care should be taken not to overdress the prospectus, inasmuch as the gambler is usually an overdressed man, and the speculative and fraudulent schemes that have not panned out in the past were put out in a blaze of colors and expensive printing.

The prospectus, in a word, must be a concise, well-arranged, logical, appealing, suggestive, reasonable sales talk on paper.

If you are not good at composition you should employ a writer to present your proposition in a correct and effective way. See that you make no dishonest or impossible statements in the advertising matter. Be sure that you are not trying to obtain money under false pretenses and by misrepresentation.

The prospectus must be written from the investor's viewpoint, just as much as must a sales letter or advertisement. It can hardly succeed if it is too technical to be understood and is not suggestive of character and reliability in its appeal. In some states "Blue Sky" laws have been passed to protect the public from the issuance and sale of fraudulent stock, and before the organization can sell stock it must secure a permit from the Secretary of State or other official after the proposition has been passed upon by a board of examiners.

Selling Stock to Friends

Confidence in you on the part of your friends will help you get the capital needed to make your business go. But, in case you do not have a sufficient number of business or personal friends to finance your business, it may be necessary to get an outside promoter to help you.

You will naturally suffer in reputation if your enterprise does not succeed, even though outside conditions caused the failure. Your friends will realize that they invested on your say-so, and even though they do not question your honesty, if the business does not come out as they hoped, they will question or discount your business ability.

When you are not quite sure of the future of the business, if it offers large profits to those who are willing to take a risk, tell your friends the exact conditions before you sell them stock. Among them you will usually find business men who will be willing to take a chance on your ability, honesty, and energy.

Under conditions such as above outlined, if the business fails, they will not hold you responsible; and will be willing to back you later on should you get another proposition that offers a surer and safer investment, although it is un-

such a man a position in the business in order to get his investment.

It is an ideal condition when a man with both brains and money enters a business. Such a man will do much to insure the success of the organization which employs him and of which he is part owner.

If a young man's father or some other relative will help him out by investing money so as to insure him a position in your business, it is not a bad idea to employ him, but he should only be employed when his ability will be a distinct advantage to the firm or when he is able to "earn his salt," as the old saying goes.

It is usual, however, for a corporation to have a lot of dead material on hand when it employs men with money; for brains and money do not necessarily go together. When a man has made his own money, he is a safe employee, even though an investor; but this is seldom true when he is born with a "silver spoon in his mouth."

It is always possible to get capital to finance a good enterprise if enough persistence is used and the judgment of the promoter is sound.

He must learn who is likely to be interested in his proposition, and then he must either write or go himself, or send another promoter to represent him. Either way will help get the desired capital, but it must also be understood that a personal interview is usually necessary before the investor will back the proposition.

A new invention or discovery is likely to appeal to a specific class of men, and it is among such men that the successful promoter usually goes to get capital and backing.

Interesting Professional Capitalists

Should you desire to interest professional capitalists in your business, you are up against a hard proposition, and one in which it is quite as easy to fail as to succeed.

See that you have plenty of expense money and can put in considerable time to get the attention of the desired investors. If you are traveling, you will have to live at the better-class hotels as much as will a successful salesman.

You should have letters of introduction to business men or bankers who will introduce you to the capitalists you want to meet. Always conduct yourself with dignity, and when this is done, you will be sure you are not going to offend the prospective investor.

Whenever it is not possible for you to get in touch with or to interest a capitalist, you may be able to do it through a promoter who makes a business of selling stock and who can interest the capitalist or some other investors that you have not considered. However, you should be on your guard against professional promoters who demand retaining fees, as such men are not likely to be of any help to a legitimate enterprise.

The promoter is worth his commission, and the amount of this should be stated in a written agreement so there will be no misunderstanding about it later. He is performing a valuable service in bringing capital and brains together, and he should be paid what he earns.

In making a contract with a promoter, a time limit and usually a reasonably short one, should be indicated definitely; and if he does not produce the capital by that time the agreement should end, and you should get another promoter to help you who is more zealous or better known.

If you let a promoter get a hold on your enterprise, he may demand money from you before he will release you from your agreement, even if he does not get the capital he was expected to get.

Advertising and Circularizing

Advertising is costly when done in newspapers and magazines, but is often used for promoting the sale of stock; but it is possible to use form-letters and circulars so cheaply that they will be of advantage when good mailing lists can be secured.

When the men who are promoting or organizing an enterprise, are men of known ability, integrity, and success in their line, it is possible to finance such a business through a mail campaign.

The first essential to such a campaign is a good mailing list and you can learn how this is secured by reading the outline in the section on advertising which is included in this book. The success of such a campaign can be tested in much the same way as any other campaign of mail-order business.

Underwriting by Bankers, Etc.

When the sale of stock of an enterprise is guaranteed before it is offered the public, it is called underwriting. Underwriting works on somewhat the following plan:

A set of business men, bankers, or capitalists guarantee say 60 cents on each dollar of stock issued before it is offered the public. Then it may be offered for sale to the public.

The underwriters get all the profit over the average of 60 cents per share for having guaranteed the sale of the stock. It will be seen that this method takes quite a bit of

money out of the organization itself when the stock reaches par value.

It is usual to offer the stock at a higher price than that guaranteed by the underwriters. In case the stock will not sell at the higher price, the underwriters take it at the specified low price. They then receive no compensation.

Underwriting insures that the capital needed for an enterprise will be raised, regardless of the financial condition of the country at the time stock is sold. It is usually an advantage to the promoter and is one of the excellent methods of getting capital for a legitimate or established enterprise.

SUGGESTIVE QUESTIONS

When you master a stubborn situation you have by that much reduced the resistance of the next stubborn situation you confront. When you yield and go down in defeat you come to your next problem a beaten man. To give up what is in your power to do is to sustain an unconscious or conscious loss of power.

I. Analysis of promotion salesmanship.

1. What two things render this an exacting form of salesmanship?
2. What does it require in the way of intelligence and experience?

II. Business organization.

1. What is the difference between a partnership and a corporation?

2. What advantage does a corporation have over a partnership?

III. The promoter's responsibility.

1. If you were interesting investors what claim would they have upon you? What part does a lawyer play in promotion?
2. What is one of the most important assets in the promotional field?
3. In connection with the proposition to be promoted, what is the first consideration?

IV. The promotion procedure.

1. What, many times, has been done for the buyer in the sale of stock?
2. State some ways of securing capital. How will you treat your friends in such a business deal?
3. What is the difficulty and danger in securing the interest of professsional capitalists?
4. What is involved in underwriting by bankers?

SELF-QUIZ

1. Do I know the meaning of promotion? Do I feel that I have the latent abilities and positive qualities required for success in this line?
2. Do I know the value of learning from experienced promoters how I can successfully organize, finance, and administer an enterprise of my own?
3. Do I know the difference between a partnership and a corporation?

4. Do I realize the value of being fair with possible investors, that I may induce them to support my plans with their money?
5. Do I know the importance of hiring a lawyer when I start in business, so I can avoid mistakes?
6. Do I understand the wisdom of planning only legitimate propositions, which are reasonably sure to bring a profit on the investment, and therefore satisfaction to my investors?
7. Do I realize that I must think honestly, use good judgment, and select the right kind of employees and executives to build a permanent success?
8. Do I understand that my stock is sold largely because of what I say of it, that my investors may not have the time or means to investigate, and that I am responsible to them for the integrity of my enterprise?
9. Do I know that I should make my offer to investors attractive enough to induce them to invest, yet protect myself in every way, so I will also profit with the success of my promotion scheme?
10. Do I know how to use the mails to sell my stock when it will be profitable to do so?

SECTION VI

DIRECT-BY-MAIL SALESMANSHIP

DIRECT-BY-MAIL SALESMANSHIP

DISTRIBUTION

DIRECT-BY-MAIL METHODS

Mail Order Selling Outlined.
- Writing instead of Seeing the customer.
- History of this method.

Viewpoint of the Wholesaler.
- Printed matter incapable of holding the customer.
- Reliance upon salesmen.
- Competition needs salesmen.

Diversity of Methods.
- Mail-order widely used commercially and educationally.

Keying the Results.
- To test the mediums of advertising
- The coupon and other methods.

USE OF CATALOG

Function of the Catalog
- The same as any form of salesmanship.

Salesmanship of the Catalog.
- A peculiar kind of salesmanship.
- Must have originality.
- Different from other catalogs.
- To arouse curiosity.

Selling by Catalog.
- The first letter to the prospect.
- Specific information of the catalog.
- Goods paid for with order

FORM-LETTER and FOLLOW-UP

Salesmanship of the Form-Letter.
- Written salesmanship.
- Appearance of the letter.
  - Not over-dressed—flashy
  - Good Stationery. Well typed.
- How to begin the letter.
  - A good approach. Arouse curiosity.
  - Refer to the customer.
- The letter as a salesman.
  - Must create Curiosity, Interest, Conviction, Desire.
- How close the letter.
  - Like closing the deal. Must be a climax

The Follow-Up.
- The new matter Number of follow-ups.

Systematic Use of Files.

Testing the Form-Letter. Its pulling power.
- Improvement of the letter.

SECTION VI

DIRECT-BY-MAIL SALESMANSHIP

DIRECT-BY-MAIL selling is another method of distribution. The basic principles of salesmanship apply here as truly as to any of the methods of distribution we have considered. What the salesman does in persuading the prospect to buy his goods is what direct-by-mail selling attempts to do. But the mail-order department works on hundreds of prospective customers while the salesman is calling on one.

By whatever means this method of selling operates, it must be governed by the never-failing laws of salesmanship and follow a definite selling procedure if it expects to succeed.

The salesman, for example, may be required to make two or three calls in order to sell the prospect. In like manner, it may be necessary by the mail method to send various kinds of literature and a number of letters in order to get interested attention and action.

DIRECT-BY-MAIL METHODS

Mail-Order Selling Outlined

The mail-order correspondent is simply a salesman who writes to a customer instead of calling personally. It is possible, by means of properly prepared matter, to appeal to the buyer through the eye, and to say things by the printed statement that get attention and bring him to the point of interest and desire.

This method of selling has grown tremendously in recent years. Mail-order houses have reduced it to a science, and have achieved great success in selling directly to the con-

sumer. They make use of the newspaper, magazines, catalogs, circulars, personal, and form letters.

For example, you want a direct by-mail house to circularize 2,000 select prospects in the interests of your proposition. Let us assume that the article sells for $10.00 and would make a strong appeal to the persons to whom the matter is mailed.

The mailing will cost you, let us say, $300, and on that the returns amount to 4 per cent. By this means you make 80 sales, or $800 worth of business. If you paid the salesman a commission of $3.50 for the same number of sales it would cost you $280. In either case you have an overhead expense.

Again, by the right follow-ups, the cost of which will be greatly less than the first circularizing, additional returns may amount to as much as the first, and the selling expense will be greatly reduced as compared with commissions paid the salesman.

The success of this method depends upon the mailing list and the way the printed matter is prepared, just as the salesman's success depends upon his prospects being live prospects and his sales talk being good salesmanship.

It will be noticed that the house referred to, in this case is not a business house selling its own products, but a house that makes a business of mail-order selling for other people, individuals, and firms. Many establishments make use of such houses to circularize thousands of prospects, take care of the mailing, and similar matters.

The Viewpoint of the Wholesaler

It will be fully appreciated that printed matter cannot secure and hold customers as can the salesman who calls

upon the merchant with his samples and backs up his selling with his personal co-operation and service.

That is the way the majority of wholesalers regard mail-order selling. The printed matter may be excellently prepared, the reasons for buying may be well defined and the appeals may be effective in securing sales. But another house may do it as well or better and by that means win this same trade.

For this reason most manufacturers and wholesalers rely upon salesmen for getting and holding trade. It is also true that, in the case of the majority of them, they do not have men of sufficient advertising skill to reorganize the business on a mail-order basis.

The firm that adopts this method must carefully consider that its printed matter must compete with trained salesmen who bring to the prospect samples of the goods themselves with the added personal element, one of the most important factors in selling.

It is so much harder to throw the salesman into the waste basket than a letter.

Competition in certain lines is so keen that it can be met successfully only by the traveling salesman. For this reason many firms would fail if they depended upon mail-order selling.

Diversity of Methods

Selling by mail is practically a new method of getting business. In its present organized form it is but a few years old, but it has grown extensively and now operates in every field of activity. Some of the most successful banking houses in this country do business by mail and advertise widely for customers in leading magazines.

It will be readily seen that if banks can induce people to deposit money by means of the letter and catalog, this form of advertising and selling possesses an unquestioned value.

The mail-order house is a distinct institution and uses methods of distribution widely different from the forms of advertising adopted by the manufacturer, wholesaler, and retailer.

The mail order house sells the trade in the country and outlying towns by means of the letter and catalog. That is, these customers depend upon this medium for the selection of goods. Prior to this, however, is a form of general advertising which creates a demand for the goods, and this is followed up by the catalog, circulars, and form letters. These give a detailed description of the goods, the various lines of merchandise, and the prices.

A wide range of institutions such as schools of music, art, law, bookkeeping, typewriting, accountancy, shorthand, salesmanship, and other specialty houses secure their patrons by mail. The same is true of many large schools and universities.

The largest mail-order houses in the country sell exclusively by this means, and no purchases are made at the place of business. All orders are received through the mail and deliveries are made in the same way.

Keying the Results

It is necessary that the mail-order house know through what channels it gets returns. Its object in advertising is to get the readers to send for the article itself or for information regarding it. When the inquiry comes to the house it must know through what advertising medium the inquiry is secured.

The reason for this is quite apparent. It is necessary to know in what paper or magazine it pays to advertise. If, for example, it was found that advertising in certain papers for a given time brought but few replies, that advertising would, most likely, be discontinued and the advertising appropriation turned into more productive channels.

To ascertain the paper or magazine in which the reader saw the announcement the house sometimes requests that it be so stated by the inquirer. It checks up on such information and knows if this is a profitable medium of advertising.

The coupon method of keying is widely used and relieves the reader of the necessity of stating where the announcement was seen. The coupon in one magazine may be placed corner wise, and when it is received it is known at once from which magazine it came. Or it may indicate that it be addressed to a certain department, which again identifies it with the paper or magazine in which it appeared. It may be keyed by a distinctive letter or number.

The coupon method is also valuable in that it saves the necessity of writing. All that is required is to detach it, fill out the blanks, slip it in an envelope, and mail it to the house. People somewhat interested will do that when they would not take the time or go to the trouble to write a letter or post card for the information.

When these inquiries are received the names of the parties are placed on the mailing list, and the house proceeds to appeal to them by a systematic follow-up corresponding to the salesman's drive in going after the order in person.

USE OF CATALOG

Function of the Catalog

Briefly stated, the function of the catalog, is the same as that of salesmanship in any form. We have noticed the difference between staple salesmanship and specialty salesmanship. The staple salesman comes to know his customer. His customer, too, becomes familiar with the goods, so that less is needed in the way of selling points as the basis of a sale. The specialty salesman has no such acquaintance with his prospect, but must have a thorough knowledge of his proposition and be prepared to present and support his proposition from every angle.

The catalog is in much the same situation as that of the specialty salesman. The prospect is not known. Its function is to give the prospect the facts pertaining to the various products. It is a series of sales talks on each class of items. It must do what the salesman does, since it is the salesman in the case. It must explain the goods, satisfy the prospect as to the merits of the commodity, and make the right appeal.

The one who prepares the catalog must be a salesman in the fullest sense of the word. He must put his personality into his work and must know human nature to know how to appeal to it. He must keep the mind of the reader free from doubts, and make him realize the essential value of the goods. He must create desire and bring him to action.

Salesmanship of the Catalog

The salesmanship of the catalog has just been suggested in speaking of its function, but let us get a nearer view.

If [illegible] to sell by mail. The prospect is not before you to raise

questions in getting the facts, and you are not before the prospect to impress him by the particular type of your personality, and to use those little expedients and courtesies that are effective in selling.

The catalog must have originality. The salesman who has no originality and begins his approach in a stereotyped manner only reminds the prospect of the last man that called, and this, in turn, reminds him of the way he disposed of the salesman.

The catalog must be different from other catalogs. It must have a personality of its own. It must be put in a form that will get attention just because it is not like the usual catalog. The reason why so many circular letters go into the waste basket unread is because they look so much like the last one, or have no outstanding character that compels you to read them.

The catalog that shows strong originality is prepared by one who has had years of experience in dealing with customers, and who knows the various types and how to make the strongest appeals.

What is true of the approach in personal selling is equally true of the introduction to the sales talk in the catalog. You can lose the sale at the very beginning, and in like manner can start the selling of a commodity in such a drab, colorless way as to kill the interest at the outset.

The reader, the prospect, having his curiosity aroused by the originality of form and statement, is in the position of the salesman's prospect in personal man-to-man selling. Curiosity must be informed. It calls for explanation, a statement of the facts. What these facts are will determine whether the curiosity will change to interest. Not simply the facts stated, but the originality and truthfulness in which they are set forth.

The make-up of this catalog salesman in describing the product may be such as to create a doubt as to whether or not it is true. The maker knows that and proceeds to establish confidence and belief. This done, the right appeals will stimulate desire. In brief, he is using the same kind of salesmanship that a good salesman uses when he sells the prospect in person.

Selling by Catalog

When a mail-order house selling a general line of staple merchandise solicits a new customer it sends a letter to the prospective customer enclosing a return card on which the inquirer can indicate his desire to receive a catalog. A single order, as a rule, will more than pay for the catalog.

The catalog may be the only means of describing the goods. The house is selling by catalog pure and simple. Hence the emphasis we have laid upon the salesmanship of the catalog. Every fact must be exactly stated and in terms simple enough for a child to understand.

Every question the prospect would naturally raise must have a sufficient answer in the statements made—quality, size, quantity, price, terms, etc. This is the only salesman in the case and it must be specific.

The catalog of the largest mail-order house in Chicago, which is also the largest in the world, contains over 1,200 pages. This house has over 6,000,000 customers on its books today, or more than the population of Ireland. Another mail-order house, second in size, has 4,000,000 customers. Each of these houses has a large general catalog and a number of smaller catalogs, each showing a single complete line.

It will be readily seen in what quantities these houses must buy, and what an investment of money in stock is

needed so as to fill orders. Buying in large quantities enables these houses to secure the goods at a low price. This is a vital matter, as money must be refunded if the goods are not satisfactory, and the shipping charges both ways are usually borne by the house.

It is customary with most of these houses not to ship an order unless the goods are paid for. This saves a great expense in the matter of collections and is perfectly safe for the customer when he knows the house is honest and reliable.

On the other hand, there are houses that operate on the assumption that the public in general is honest. They send goods on approval and paying the shipping charges both ways if the customer should return the goods. It would seem that this policy would involve considerable risk. A publisher, however, states that his entire loss from bad accounts and damaged goods has been less than 5 per cent of the entire amount of his sales. By this method, too, there would be a greater number of inquiries and a greater volume of business than when cash is required with the order. Offering goods on approval is more likely to establish in the mind of the customer the assurance that the goods are all right, or a business house would not be willing to trust him. The presumption is, that the customer would not send for the goods if he did not want them.

THE FORM LETTER AND FOLLOW-UP

A house advertises its product in a newspaper or magazine. A reader who sees the announcement writes for information regarding the proposition. It comes to him as a form letter with perhaps other circular matter. It is an invitation for him to buy and to the house it is an opportunity to make a sale.

Salesmanship of the Form Letter

What has been said regarding the catalog applies in large measure to the form letter. It is written salesmanship. That means that certain principles must be employed. Any kind of letter will not do, just as any kind of talking does not sell goods, or any kind of a catalog will not interest the inquirer.

Appearance of the Form Letter

A sales letter depends almost as much on appearance as does the salesman who comes to you in person. If he looked like a tramp you would be inclined to treat him as such. If he were too flashily dressed, or dressed in an exaggerated manner, you would be inclined to distrust him. Your first impression might be that he is a crook who has dressed himself up to create what he believes will be a good impression. He overdid it.

A sales letter must have the right appearance. It must attract attention, but the right kind of attention. It must not be over-dressed. It should give the impression of *fairness*, not *flashiness*, and it should be exact, not exaggerated.

The stationery should be of good quality. Cheap paper will cheapen your proposition. The circular letter should look like a personally dictated letter. This can be easily done by following the regular methods of the stenographer in typing a letter. Typewritten letters, for example, have an uneven right margin, and the form-letter should have the same. It should be carefully filled in so that the type and impression match up evenly with that used in the body of the letter. In brief, it should have the appearance of a good stenographer's work.

How the Letter Should Begin

The opening of the letter holds the same relation to the letter itself that the salesman's approach holds to the sale. There can be no question as to the importance of the approach. The salesman may not have a happy approach, but when he gets into the proposition he may improve and overcome the bad effects of the beginning. But if the opening statement of a letter leads to its being tossed into the waste basket, that ends it. There may be a follow-up, but the prospect may recall what he did with the first letter.

The first statement of the letter must arouse curiosity. That does not mean that it must be startling. That is clap-trap and never gets far. The unusual, taking the form of the sensational, the grotesque, or the familiar joke is not impressive. These things are far more likely to create disgust and induce criticism. The balance of the letter, which contains your proposition, will go into the basket unread.

The letter should begin with a statement relative to the prospect and not referring to the writer. When it starts with "we" are doing such and such, or "we" anything, the attention is not gripped as when it starts with "you" in an attention-getting statement.

By that is not meant that the letter necessarily should begin with the word "you," but that the statement should have to do with the prospect and not with the house. It must appeal to his self-interest. The proposition may be a money-saving appeal. To begin with the statement:

"Why did you buy your overcoat at the close of the season, or in the summer?" will attract more active attention than if it began,

"During all the years we have been in business, last year," etc.

You receive a letter offering to sell you stock. It begins about like this:

"We have some gilt-edge stock which we are selling at a remarkably low figure." We are assuming that you are not interested in buying stock. Would this statement get your attention as quickly and hold it as well as an opening statement such as this?

"You may be one of the 87 per cent of the people of this country who die penniless. WHY? Because you never knew that money has greater earning power than have those who own the money."

The principle is to start the letter in a way that bears directly upon the self-interest of the prospect. He is not interested in the "we" or "I" but in the "you" of the statement.

The Letter as a Salesman

The same appeals are made to this prospect by letter as are made by the personal salesman. He is influenced by the same motives and has the same interests and needs. If you can show him that you have what he needs and wants in a way that will hold him to your proposition, your letter will not be consigned to the waste basket.

Your descriptive powers must be such that the imagination of the propect will visualize your article, will handle and use it.

This description must be right, not only in what it contains, but in the length of it. Remember that the fault of many salesmen is to over talk and over-sell the proposition. The letter can make the same mistake.

People will not read a long, drawn-out letter. They will see how many pages it covers, what is the general form of it, and if it is extended and the matter is set up in a solid way it will find the waste basket. Courtesy may require that you listen to the tiresome salesman, but it does not compel you to read a long letter when its form and contents show at a glance that it was never written by a salesman.

This letter must follow the laws of selling as if you were dealing in person with the prospect. You must arouse his curiosity, stimulate his interest, secure his confidence and create desire.

When your letter accomplishes these five things, there is not much more to do, but what remains to be done is exceedingly important.

How to Close the Letter

This is what remains to be done. The salesman can spoil the deal when he has brought it to the closing point and the prospect is ready to buy. The same is true of the letter.

The closing of your letter needs the right punch. It must carry the prospect from desire to action. It must compel him to realize that he will lose by not grasping this opportunity, and that he must seize it NOW, AT ONCE.

He must be made to feel that if he lays that letter aside he is allowing a great value to slip through his fingers that will probably be lost to him forever.

Make the climax as effective as possible. The words NOW and AT ONCE have been greatly used; perhaps they have been overworked. They express the idea, but more original expressions are better. It may take the

form of an inducement in the way of a discount or a premium if the order is given NOW. Work out the best climax, one that will get immediate action, that will enforce every appeal of the letter.

The following form letter, answering an inquiry regarding deafness, is a brief illustration of some of the principles laid down:

Dear Sir:

Your inquiry of recent date is received.

Your hearing, like your eye-sight, is a channel to the brain. Without it you are excluded from a large part of the world.

Deafness, like any other defect, grows by neglecting it. You pay no attention to it until you suddenly awaken to the fact that you are losing your hearing.

DEAFNESS DOES NOT CURE ITSELF.

It has not the power of self-recovery, but on the contrary grows from bad to worse. *It Must Be Cured.*

YOUR HEARING IS PRICELESS.

What would you take for it? And yet any one of us will tamper with it until we lose it.

Your inquiry indicates your concern. Your hearing may be greatly impaired, but our ear-drums will work marvels for you, as they do for thousands of others. My own deafness was, no doubt, as bad, and probably worse, than yours, yet with the aid of these drums I have restored my hearing. The enclosed pamphlet will give you all the facts.

These drums are Simple, Convenient, Concealed.

Delay is disastrous. Procrastination will steal what hearing you have left. "While I mused the fire burned"

and it burned out. Missing won't bring back your hearing.

By delaying you are taking an awful chance.

CAN YOU AFFORD TO DO IT?

Fill out the enclosed blank. Stop that deafness before it is too late, and mail blank with your check *today*.

The Follow-Up

The first letter may not bring a response. If possible it should contain some special descriptive matter that will elaborate the points of the letter. If no response is forthcoming, the first follow-up, that is, the second letter, should be sent about a week or ten days after the first letter has been received.

This letter should refer to the first one and bring some of its points briefly but forcefully to mind. It is important that it contain additional matter that will increase the interest of the prospect. It is like making a second call on a prospect. If the salesman has nothing new to bring to the prospect to invest a new call with a new selling interest, there will not be much hope of making a sale.

As in the other case, this letter should urge action. There should be a new reason for doing so, if this letter is to be raised to selling power.

The number of follow-ups will be determined by the nature and value of the goods, the amount of the purchase price, and the class of prospects to whom the appeals are made.

The second follow-up should take a more friendly and personal form. In this heart-to-heart talk the persuasive element should be stronger and some additional facts

should be given that will enable your prospect to see your proposition from a different angle. This letter contains other appeals and is not simply a repetition of former appeals.

Each letter should have an original form, and thus carry vigor and freshness. It should have a content and character of its own.

As a rule, it is not profitable to send more than three or four follow-ups. Do not overwork the system. Some houses will send a prospect such letters for a year or more. In most instances it is wasting good money on bad prospects. It is usually considered that if the third or fourth letter does not bring the order or some additional response, he is not worth further attention.

Some houses induce further response and renew the prospect's interest by asking him man to man why he did not reply to former letters. The reply to this uncovers some objection or reason for lack of interest and gives a fresh start for a new follow-up.

Systematic Use of Files

In order to get the best results you must have the proper follow-up system. If the first follow-up letter should be sent out on the 5th, it will not do to send it out on the 15th or 20th of the month. If a large number of such letters are to go out on different dates you must have a system whereby such letters will be taken care of on schedule time.

You need, then, a card index, and these should be filed so that each name comes up for attention on the day another letter is to be sent. Each card should be filed in the case behind the date on which the letter or literature is to be forwarded. If that date is the 15th and the next date is

the 26th it should be set forward to the latter date as soon as the letter of the 15th has been sent, so as to insure the sending out of the next follow-up.

It may be that the letter of the 15th will bring the order. In that case there should be a file for customers and another for prospects, and this card should now be transferred to the customer file. It is best that the customer card be a different color. The new card is made out and the old card thrown away.

The card is a record giving name, address, and similar information. The letters received from the prospect as well as those sent to him are also shown. The customer's card shows the amount of each order and the date the order was filled.

The system should be simplified as much as possible so it can be attended to with the least possible confusion. The important thing is to see that the card is placed at the right date, and that it carries the record so no mistake will be made as to the follow-up and any other facts of interest. In filing the card for the date of the new follow-up allowance should be made for the time it will take to carry the letter to its destination and bring a reply to you.

If you are handling several lines of goods, it will prevent confusion and possible mistakes by having a file for each line. There may be a "dead" file for those prospects who have never responded but who may again be circularized when you have an exceptional proposition to make.

Testing the Form Letter

The pulling power of a letter should be determined by using it on a limited number of prospects and getting the percentage of returns. New ideas will enable you to improve the letter, and thus all letters can be reconstructed

until you have a complete set of letters. A letter may be strong, but if sent to the wrong kind of prospects it would bring no response. Hence the mailing list should be selected with great care.

From all that has been said regarding this method of distribution it will be readily seen that there must be the application of the principles of salesmanship as they apply to any other form of selling.

Whether the salesman comes to the prospect in person, or in the form of a letter or catalog, the general lines that must be followed by the selling procedure are the same. The prospect in either case has the susceptibilities of any prospect and must be led from one mental stage to another and thus brought to decision and action.

SUGGESTIVE QUESTIONS

There is no task so great but we can rob it of its significance by the way we treat it. There is no task so small that we cannot invest with real greatness by the way we appreciate and perform it.

I. Direct-by-mail methods.

1. How does the average wholesaler view this method of distribution? How does it compare with the use of salesmen?
2. To what extent is this method adopted, and by what lines?
3. What systems are used in checking up results?

II. Use of catalogs.

1. In what sense is the catalog a salesman?

2. What three things must the catalog possess to be an efficient salesman?
3. Does it follow the selling procedure of the trained salesman?
4. What care must be taken in the matter of description and in the specific statement of particulars?

III. The form letter and follow-up.

1. In what respects is the form letter like the catalog?
2. What are the two important requirements relative to the beginning of the letter?
3. What are the five steps in selling this letter must follow?
4. In order to get action, letters have been closed by the use of certain expressions. If you were writing such a letter how would you close it?
5. How should the second follow-up differ from the first?

SELF-QUIZ

1. Do I know how to write to a customer with the same naturalness I would use in personal selling?
2. Do I know how to fit my appeal to the individuality of the customer to whom I am writing?
3. Do I realize the importance of following up all leads and inquiries without delay?
4. Do I study other sales letters so as to be on the lookout for suggestions that will help me in sales letter writing?

5. Do I realize the value of keying advertisements for the purpose of ascertaining from which publication replies are received?
6. Do my letters possess originality and radiate my own personality?
7. Do I answer questions which may arise in my prospect's mind in my sales letter?
8. Do I know the value of a catalog for describing the nature of my goods?
9. Do my letters conform to the requirements of good sales letters; and do I have a good follow-up on the first letter sent out?
10. Do I realize that many good sales letters are spoiled by a weak close, and am I able to overcome that weakness?